

# The NATIONAL UNDERWRITER

Life Insurance



EVERETT W. SCALES

Everett Scales taught school for 22 years ... the last five he served as Assistant Principal of Crown Point High School (Crown Point, Ind. Population 4,643) Started full time with Franklin on June 1, 1951 ... no previous sales experience. 100 sales (June 1-Dec. 31) ... all but 17 were on Franklin exclusives ... all but 5 were cash with app. Earnings (7 months) \$11,500.

GENERAL AGENCY  
OPPORTUNITY IN  
MINNESOTA

**\$11,500 the first seven months**  
**...no previous experience**

January 29, 1952

Mr. Francis J. O'Brien  
Franklin Life Insurance Company  
Springfield, Illinois

Dear O'B:

"Shall I or shall I not?" A year ago I was trying to decide whether I should leave the teaching profession for life insurance work. Your statement to me that my teaching salary of \$4,600 would be considered "peanuts" in the Franklin organization was an important factor in my decision to make the change. A three-month trial run in the summer of 1950, when with no previous selling or insurance experience my earnings averaged \$1,000 per month, bore out this statement.

On June 1, 1951, I started full time with Franklin. My earnings from first-year commissions for the remaining seven months of the year approximated \$11,500. Our exclusive noncompetitive PPIP and JISP contracts are my "stock-in-trade." The setting up of several partnership agreements and a salary savings plan have added spice to my selling experience.

Producing at an even lower rate than at present, my renewals in six years will provide for me and my family a much better retirement income than I would receive from thirty years in public school work. I find, too, a wonderful opportunity to help others, which is in keeping with my professional training.

The fine cooperation and help of President Becker, yourself, Wayne Messmore, who gave me "my chance," and the entire Franklin Life Insurance Company, make me proud to be associated with you. You can understand my enthusiasm for the friendly Franklin organization and the opportunities it offers individuals such as myself.

Sincerely yours,

Everett W. Scales

*An agent cannot long travel at a faster gait than the company he represents.*



*The Friendly*  
**FRANKLIN LIFE INSURANCE COMPANY**

CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

*One of the 15 Oldest Stock Legal Reserve Life Companies in America*

*Over A Billion Dollars Of Insurance In Force*

**FRIDAY, MARCH 7, 1952**



# LOTS of WOMEN

in Earl S's life  
*but his wife's not  
the least bit jealous*

He *claims* he's no ladies' man... But the many women in Earl S's life would put a "great lover" of the screen to shame!

And his loyal little wife thinks it's just swell! She's actually *proud* of the women in his life...

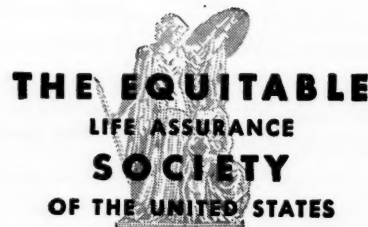
**HIS FAVORITE BLONDE:**—six year old Mary Jean Grey, whose future is secure because of Earl's advice to her late father, two years ago.

**HIS FAVORITE BRUNETTE:**—Joan Mitchell, who's attending college on an Equitable Education policy.

**AND HIS FAVORITE SILVER-HAIRED BELLE:**—Mrs. Bloxham, who will never have to appeal to charity, because of Earl's efforts in her behalf.

The women in Earl's life are the wives or daughters of far-sighted men who recognized the value of Earl's advice...who knew they could trust him to put their interests first. And this same confidence in him as a representative of The Equitable Life Assurance Society has spread through his community to make Earl one of its most respected citizens.

*One of a series of advertisements illustrating how a representative of The Equitable Life Assurance Society serves his community by selling life insurance.*



THOMAS I. PARKINSON, President  
393 Seventh Avenue, New York 1, N. Y.

LISTEN TO "THIS IS YOUR FBI"... official crime-prevention broadcasts from the files of the Federal Bureau of Investigation... another public-service contribution sponsored in his community by the Equitable Society Representative. **EVERY FRIDAY NIGHT, ABC NETWORK**

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## Companies' Replies to Patman Queries Are Summarized

**Would Like 20-40 Year  
U. S. Bond at Competitive  
Interest Rate**

WASHINGTON—Should the Treasury have to borrow substantially in the foreseeable future and wish to market some of its securities with life companies, the companies should be offered a bond with a maturity of from 20 to 40 years and an interest rate fully competitive under market conditions existing at time of issue.

This is the consensus of 38 life company executives who answered a questionnaire circulated by Patman of Texas as chairman of the subcommittee on general credit control and debt management of the joint congressional committee on the economic report.

Patman has made public an over-all report based on questionnaires sent to life companies and others interested in the fields of monetary control and public debt management as to the respective roles of the Treasury and federal reserve system in these fields. The report included a summary of answers by life insurance executives, the summary having been prepared by Dr. James J. O'Leary, director of investment research of the Life Insurance Assn. of America, in cooperation with the staff of Patman's subcommittee.

### Objectives of Companies

Virtually all the executives who replied pointed out that, as trustees of policyholders' funds, the primary objective of their policy with respect to all their investments, is to earn the highest possible rate of return consistent with safety of principal and at least meet interest assumptions; that the higher the rate of return, the lower the net cost to policyholders — important, since the life insurance business is highly competitive on a net cost basis.

The executives indicated that any bond to be offered the life companies should be fully marketable. Several specified that it should be ineligible for purchase by commercial banks.

The executives also were asked by Patman to describe the policy of their individual companies as to portfolio changes (a) from the end of the second war to June 1950, and (b) since the Korean situation started.

In their replies on all three questions, the executives set forth some basic policies in determining their investment policies.

### Aim to Help Economy

Many indicated that an important aim is to help the national economy's capital requirements as they develop. Life companies during the second war invested heavily in government bonds to aid war financing. Then, in the post-war period funds moved on to meet the needs of the private sectors of the economy. Thus, life insurance funds aided the reconversion of industry from war to peacetime production and later contributed to the expansion of industrial capacity as an offset to inflation.

As the postwar demand for housing facilities developed, the companies help-

(CONTINUED FROM PAGE 23)

## Condon Section 213 Bill Reported Out in Both N. Y. Houses

ALBANY—The Condon bill to effect limited changes in section 213, the expense limitation provision of the New York insurance law, has been amended to place the training allowance provision and the 5% extra overriding commission to general agents outside the company expense limit, and has been reported out by the senate and assembly

ALBANY — With the legislature scheduled to adjourn March 15, obviously the wisest course for all concerned would be to put off any revision of section 213 for another year. This could be done by shelving the Condon bill referred to in this article and passing the so-called short form Condon bill, already introduced, which would merely extend the 1948 emergency provisions which expire this year. However, the extension should be for only another year, not 1956 as in the bill, thereby assuring that a full scale revision would be undertaken in 1953.

insurance committees. However, the amendment makes it necessary to have the bills reprinted, which will delay action on the floor.

The amendment would help some of the companies that are so close to the company expense limit that they would not be able to take advantage of the extra overriding and the training allowance if it had to be subject to the company limit.

### Amend Tax Regulations

WASHINGTON — Implementing provisions of the revenue act of 1951 for a new formula for taxing life insurance companies, the internal revenue bureau has issued, with approval of Acting Secretary of the Treasury Foley, a decision amending regulations 111 and 130 to conform with those provisions.

## Late News

Joe D. Morse, president of Home State Life of Oklahoma City, for 23 years, has taken the new post of chairman and is succeeded as president by his son, Norman A. Morse. Other changes moved Lawrence L. Hoecker to executive vice-president and secretary and W. G. Johnston to vice-president and treasurer.

T. B. Harrison has resigned as vice-president in charge of agencies for Volunteer State Life to become superintendent of western agencies of Pilot Life at Jackson, Miss.

Robert W. Carney and Ray Neary, general insurance agents, have been named general agents of Central Standard Life at Benton Harbor, Mich.

A. Walton Litz, has resigned as agency vice-president of Pyramid Life of Arkansas. His future plans are unannounced.

Republic National Life will close its group office at Chicago and concentrate its group operations in the southwest.

Aetna Life has advanced Robert V. McWilliams, assistant general agent at New York, to associate general agent.

James M. Kleifgen has been named general agent at Indianapolis for Midwestern United Life.

## Seek Clarification of Pension Trusts Under WSB Rules

WASHINGTON—It is assumed by life insurance people that individual pension trust policies and group permanent plans are covered by general wage regulation 21, but the question is whether or not they will be subject to case-by-case approval of the wage board or to the provisions for automatic regulation. At this writing, the answer is not known, but Eugene M. Thoré, general counsel of Life Insurance Assn. of America and Nathaniel Seefurth, Northwestern Mutual, Chicago, representing National Assn. of Life Underwriters, were in conference with WSB members on this question.

## Taylor Discusses Tanker Transactions

Charles G. Taylor, president of Metropolitan, has explained in a letter to a group of policyholders the loan of his company to purchase oil tankers in transactions which have come up for investigation to a senate committee. His company loaned \$9,750,000 on five oil tankers chartered to a Standard Oil of New Jersey subsidiary.

Mr. Taylor wrote his letter in reply to a letter of John J. Lamula, who represented himself as chairman of a newly formed Metropolitan Policyholders Protective League, a group of 100 policyholders of the company. Mr. Lamula had said that the league was concerned "about the secret manipulations behind the scenes for this fast and loose loan of policyholders' money in a speculative venture" and also whether the loan was "made in violation of the New York law governing insurance company investments."

Mr. Taylor's letter read: "The loan of Metropolitan Life Insurance Co. on the tankers about which you inquire was made in the ordinary course of business, primarily on the security of a charter of these boats to a subsidiary of Standard Oil Co. of New Jersey. The charter hire was more than sufficient to pay interest and principal on the loan and was assigned to Metropolitan for security for the loan and that Standard Oil Co. of New Jersey guaranteed the charter of its subsidiary. The interest on this loan was regularly paid and the principal amount has been paid in full to the company.

"Metropolitan had no connection whatever with the transaction other than to make the loan on the security of the charter above referred to. The legal phases of the transaction were approved by our own counsel as well as by competent outside counsel.

"The loan was strictly in compliance with the insurance laws of the state of New York and the company has been the subject of a regular examination by the New York state insurance department since the loan was made. Another regular examination is now in progress and the examiners of the department have been given a complete memorandum in regard to this transaction.

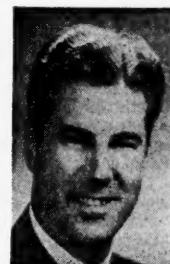
"We have made other loans on tankers chartered to responsible oil companies. Our business with these companies is confidential and we are not at liberty to give you a list of these loans. However, these transactions are all subject to review of the New York state insurance department which receives the minutes of the finance and investment committee authorizing all loans made by this company."

## Eye Plan for U. S. to Assume War Risk in Sales to G.I.s

**Thore Discloses ALC-LIA  
Study: Would Avert Evils  
Inherent in Kilday Bill**

WASHINGTON — American Life Convention and Life Insurance Assn.

of America staffs are studying the feasibility of private life companies' writing insurance on servicemen, with the war risk underwritten by the government, Eugene M. Thoré, general counsel of L. I. A., disclosed here at a meeting of the Middle Atlantic Actuarial Club.



E. M. Thoré

Such a plan, he indicated, would cut most of the ground from under the proponents of the Kilday bill, aimed at piling another system of servicemen's benefits on top of already sizable programs. Though ostensibly self-sustaining, the Kilday proposal is actuarially inadequate, and would involve huge additional Treasury outlays.

### Long Step Toward Statism

The Kilday bill, Mr. Thoré warned, is actually such a long step in the direction of statism that the servicemen themselves should oppose it.

"I see in the Kilday bill an effort to capitalize on the fact that life companies in time of war use war clauses," he said. "This temporary limitation on our otherwise unrestricted service is being used as a springboard to launch a big government insurance program."

The present government indemnities, he said, provide an adequate floor of protection and all that is needed is a system whereby private insurance will always be available to servicemen who want to supplement their government benefits. In peacetime such coverage is readily available.

"It has been suggested that in time of war, private insurance could be issued to meet this need within reasonable limits under legislation which would provide government reinsurance of the net amount at risk if death results from war causes," he said. "Such a system could be optional both as to servicemen and the life insurance companies."

The Kilday bill has been reported by a subcommittee to the full committee of the House armed services committee and may be called up for hearing shortly, said Mr. Thoré, in which event it will be opposed by an A.L.C.-L.I.A. witness and witnesses representing National Assn. of Life Underwriters and U. S. Chamber of Commerce.

Mr. Thoré warned that, assuming a long "cold war," a government insurance program providing large coverages for servicemen would remove the group from the private insurance market and undoubtedly stimulate other groups to demand similar treatment. It would, if unduly generous, "unquestionably exert upward pressure on benefits under social security and other government programs," he said.



## Time to Assess Group A. & H. Business, Miller Warns

The group A. & H. boom will continue, perhaps reaching \$1 billion in 1952, Morton D. Miller, assistant actuary of Equitable Society, said at the Bureau of A. & H. Underwriters' seminar at New York.

However, premiums have been pared down. Claims under hospital and surgical expense benefits have been mounting and this trend continues. Weekly indemnity claims may be rising. The rapid growth of the business has made it difficult to accumulate adequate surplus funds.

It is a good time, he said, for all to take stock of group A. & H. operations.

### Why Losses Are Rising

Mr. Miller presented several reasons for rising experience trends, though he noted that much less information is available concerning operations in this field than might be supposed or than should be the case.

Ratios of claims to premiums are affected as much by reducing premium levels as by increasing claim payments. Since 1945, there has been a continuous assault on premium rates, both weekly indemnity and hospital-surgical expense benefits. Weekly indemnity rates were reduced materially in 1948 with passage of the New Jersey cash sickness law and were applied to California unemployment compensation disability benefits at the same time. Two years later they were applied to New York disability benefits. Employee hospital expense rates were reduced in 1950, with adoption of rates on a lower basis for plans with benefits on a reimbursement rather than a fixed benefit or indemnity basis. Employee surgical benefits rates were reduced in 1948 with adoption of a new surgical schedule. Dependent surgical expense premium rates were reduced in 1945, 1946 and, with the adoption of the new surgical schedule, again in 1948. Early in 1950 an over-all reduction factor was introduced giving advance recognition to savings in expenses under larger cases. The premiums for group accident and health benefits combined for dividend purposes were reduced from 1% to 15%, depending on the size of the group.

### Liberalization's Effect

There has been the gradual liberalization of administrative provisions and claims practices in the hospital and surgical expense field, including reduction in the minimum number of hours hospital confinement required, broadening of the age limits for the coverage of dependent children, practice of reimbursement for anesthesia charges made by physicians under hospital expense plans where sufficient extra charges allowance remains, increasing recognition of out-patient and minor surgical claims, payment of benefits on the recommendation of or for the charges rendered by non-medical practitioners such as chiropractors, and the increased recognition of surgical procedures in the shadowy area between dentistry and medicine.

Liberalizations like these were made without increasing premium rates. They are in effect further premium reductions. They have increased the claim load gradually. No one liberalization accounts for much in itself. It is easy to fall into the trap of thinking they can continue to be made, but sooner or later the cumulative effect must be felt.

### Effect of Morbidity Level

The level of morbidity among the insured population affects loss ratios. It is independent of the premium rates and is measured by comparing claims with the number of persons or the amounts of benefits exposed to risk. The most recent information available is that contained in the 1951 report of the inter-company studies of the group mortality and morbidity committee of Society of Actuaries, which is in process of publication. The trend of claim costs per unit

of benefit for policy years ending in 1947 through 1950, according to this study, shows weekly indemnity experience actually improved continuously from policy years ending in 1947 to those ending in 1950. But hospital and surgical coverages, both employee and dependent, increased in claim cost. Liberalizations of benefits and claim practices are reflected under these coverages as well as increased use of hospitals and surgeons. Hospital stays have become shorter, but since hospital bed occupancy remains high, this has been more than offset by increased frequency of confinement and the added proportion of the claim dollar going to pay hospital charges other than room and board.

### Trustee, Association Cases

Changes in underwriting brought about by the introduction of trustee and association type groups have presented many new problems and their experience may be somewhat different from that of the regular employer-employee groups. The influence of collective bargaining on the character of the insured group, extending after issue to the administration of policy provisions and claims, is not too well established, but could have a material effect on what is becoming an ever mounting proportion of the business.

The very presence of insurance tends to increase costs, he said. People become hospitalized because insurance is provided in the event of hospital confinement, which would not otherwise be available. This is true, for example, when a series of diagnostic x-rays or laboratory examinations may be needed. In many instances elective surgery is per-

formed where the operations would not have taken place had there been no surgical insurance.

Along with the tremendous growth of hospital and surgical insurance has come an increased awareness of the amount and scope of benefits, by the insured public, by the medical profession, hospitals and related groups. In the broadest sense, a re-orientation of medical economics is coming about through the spread of insurance, which continues to add to insurance costs.

A substantial number of persons who are covered by an insured plan also carry Blue Cross hospitalization insurance. There is also duplication with Blue Shield surgical or medical insurance, but to a lesser extent. Since double coverage usually means over-insurance, this is a problem which will probably merit increased attention in the future.

### Inflation a Big Factor

Inflation is a new and important factor affecting hospital and medical expense insurance operations more every day. When benefits were limited to a modest daily benefit for room and board and a five times allowance for other hospital charges, inflation was no problem for the insurer. Insured paid the additional costs as charges went up.

But plans have gradually been broadened so that insurers freely write plans providing 20 times daily room and board benefit for hospital extra charges. Many companies will underwrite plans with even greater benefits. Some are going so far as to provide unlimited coverage for extra hospital charges and are even undertaking to remove the daily room and board limit and to provide semi-private room benefits. Claim costs under these plans, entirely apart from any tendency such plans may have to increase utilization, increase directly as inflation pushes up the level of charges.

Stipulated limits in the schedule pro-

(CONTINUED ON PAGE 23)

## 1951 Looked Good to Another Group of Life Companies

### COLUMBIAN NATIONAL

Life, A. & H. and group premiums hit new highs during 1951 for Columbian National Life. The group rise was 35%, A. & H. gain was 15% and life premium were up 11%. More than \$59,915,000 in life insurance was paid for, bringing the total in force to \$385,493,000. Assets exceeded \$95,757,000. Surplus to policyholders was \$9,880,400. The net yield on investments in 1951 was 3.19% compared to 3.15% in the preceding year. The company expects to pass the \$400 million figure of life insurance in force and \$100 million in assets by its 50th anniversary in June.

### JEFFERSON NATIONAL

Life premiums of Jefferson National of Indianapolis gained 13.4% during 1951 and A. & H. premium gained 17.6%. Life premiums amounted to \$1,993,365 and A. & H. premiums to \$630,200. Life insurance in force, excluding group, increased 11.2% to \$73,363,961. Assets rose 16.3% to \$8,399,274. The amount paid to policyholders and beneficiaries rose 12.5% and in 1951 amounted to \$880,164. There was an 11.2% gain in the number of life policyholders. The average policy in force amounted to \$3,527 as compared to \$3,554 in 1950. Assets totaled \$8,399,274. Surplus to policyholders was \$1,722,036. Income was \$3,092,596. The net yield on investments in 1951 was 3.03% compared to 2.85% the previous year.

### LIFE OF VIRGINIA

Life of Virginia reported the largest increase in assets in history with a gain of \$20,631,568, bringing the total to \$277,956,902. Insurance in force increased \$91,224,668, to a total of \$1,369,042,580. Surplus to policyholders was \$29,906,554, an increase of \$1,163,794 during 1951. Mortgage loans grew from \$92 million to \$106 million. Payments to policyholders and beneficiaries during the year exceeded \$10 million. There was \$93,406 paid out in Korean war deaths.

### NO. AMERICAN REASSURANCE

North American Reassurance had life reinsurance in force of \$484,528,100 at the end of 1951. Assets totaled \$37,685,721. Capital was \$2 million and surplus was \$6,052,813. The reserve for the reduction of the tabular interest rate was \$1 million and surplus to policyholders stood at \$9,052,813. Among assets, the company had \$34,399,870 in bonds with \$31,118,000 U. S. government securities. There was a total of \$1,478,208 in stocks, of which total \$547,150 were industrial preferred.

### Prudential Advertising in Strike Equal to 729 Pages

Prudential ran about 1,750,000 agate lines of advertising during the recent 81-day strike of industrial agents, according to computations made by Advertising Age. This is the equivalent of 5,800 columns or 729 pages in a standard size newspaper. In addition, radio spot announcements were used in 13 cities for six days.

Prudential's advertising agency, Calkins, Holden, Carlock, McClinton & Smith, could not verify the space figure but believed it to be reasonably close.

### Guardian Life Conference

Guardian Life recently held a four-day training conference for 12 field representatives at the home office. The conference covered all phases of field work from prospecting to estate planning.

## The COMMONWEALTH Commentary

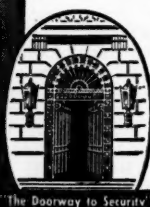
### NEW All-Time High

Our Ordinary Agency Department is off to a splendid start in 1952. The percentages set forth below compare the first two months of the current year with the same period of 1951.

Submitted business .....	168%
Paid business .....	150%
Increase in insurance in force.....	217%

New all-time highs both for January and for February were established in each of the three categories.

Our congratulations to the fieldmen of the Ordinary Agency Department.



The Doorway to Security

INSURANCE IN FORCE, February 1, 1952 — \$543,289,909

**COMMONWEALTH**  
*Life Insurance Company*  
HOME OFFICE • LOUISVILLE, KY.



# CONKLIN CITES FIGURES

## Insurance Far Down List in Big-Company Dominance

Concentration of assets in the largest life companies is no greater than for



G. T. Conklin, Jr.

industry generally and the trend in the insurance business has been toward a lesser concentration of assets over a long period of time, George T. Conklin, Jr., 2nd vice-president of Guardian Life, states in an article, "Institutional Size — Life Insurance," appearing in the winter issue of Duke University law school's Law and Contemporary Problems. The issue is devoted to a symposium on institutional investments.

Mr. Conklin not only marshals facts and figures to support the above conclusions but also such statements as: The insurance industry is not monopolistic in character but is marked by freedom of entry and active competition; there is no evidence available, either empirical or theoretical, that the large life companies have reached a size which necessarily leads to higher costs and lower efficiency; there is no evidence available that the life companies wield substantial economic power; over the last 20 years life insurance has lagged behind the rest of the economy, so that far from the industry having grown to too great a size, considerably greater insurance protection is needed than now exists.

### Role of Savings

Mr. Conklin also points out that savings in the economy have shown no long run tendency to rise as a percentage of income, that savings in the form of life insurance for the last two decades have shown no tendency to rise as a percentage of total savings, even though the life insurance business has shown a tremendous growth over the last 100 years.

Discussing the alleged enormous size and power concentrated in the few biggest companies, Mr. Conklin says that actually there is no above-average concentration in the life insurance business. A 1949 census bureau study showed for each of 452 manufacturing industries the percentage of each industry's total shipments originating in 1947 from the first four, the first eight, the first 20 and the first 50 companies in each field.

### Concentration Found Lower

When the concentration in the life insurance business is compared with this study, it is found that the top four life companies showed a lower concentration than 206 of the 452 industries surveyed. Even more significant, between 1935, the date of an analogous study by another government agency, and 1947, the date of the census study, the share of the top life companies declined substantially from more than 50% to less than 40%.

Another government study measuring the concentration of assets in 26 selected industries, shows that the assets distribution of the life insurance industry would be far down the list in comparison with these 26 industries. This comparison shows that while the top life company had, in 1947, 16 1/2% of life insurance assets, it would rank only 21st among the 27 industries (the total being the 26 in the survey plus life insurance). The top two life companies, with 30.7% of the industry's assets, would rank 20th among the 27 industries. The top three companies, with 39.3%, would rank 21st; top four companies, with 47.6%, 18th; top eight companies, with 63%, 13th among 20 industries; and

the top 15 companies with 76 1/2%, seventh among 11 industries.

As concrete examples, Mr. Conklin points out that the top three life companies in 1947 comprised approximately 40% of the industry's assets. This compares with 68.7% for the top three automobile companies, 77.6% for the top three cigarette companies; 70.3% for the top three tire companies; 72.4% for the top three liquor companies; 92.1% for the top three linoleum companies, and 88 1/2% for the top three copper companies.

To show that the trend in concentration of assets within the insurance business is downward, Mr. Conklin took the percentage of assets held by the first five companies in 1900 and compared them with subsequent dates. (The top five were not continuously the same.) In 1900, the five largest life companies held 63.4% of the industry's total assets; by the first world war this percentage had dropped to 56.7%, by 1940 to 53.6% and by 1950 to 51.3%. In each of the last eight years this percentage has declined. The same is true of the three largest companies. In 1900 they had 51.2% of all assets and by 1950 only 39%. For the top 10 companies the percentage dropped from 79% to 66.9% in the 50 years.

Mr. Conklin quotes Economist Sumner Slichter's comments on the tendency toward concentration that is apparently inherent in the American way of life, whether it is unions, churches, suggestion systems, or manufacturers. In industry after industry a small percentage of companies will continue to produce one-half to nine-tenths of the goods sold.

(CONTINUED ON PAGE 24)

## Small Companies' Second Day Plans

The second day, March 18, of the L.I.A.M.A. small companies spring conference will feature discussion sessions with the attending agency officers meeting in groups according to the size of their companies.

The morning discussion will be on managerial development. The agency officers of the small companies themselves chose the conference topics this year through a questionnaire. The afternoon discussions on current problems will take up the next most important subjects brought out by the poll. Three problems out of 10 listed most often will be selected for discussion by the groups.

Roger Bourland, director of ordinary agencies Liberty Life, will preside at the morning session for companies over \$100 million in force, with Lewis W. S. Chapman, director of company relations L.I.A.M.A., as co-moderator.

The discussion on managerial development for companies with less than \$100 million in force will have Charles E. Gaines, vice-president and agency director Great National Life, presiding and Frederic M. Peirce, associate director, company relations, as co-moderator.

Tuesday afternoon, when the groups will consider current problems, the larger company section will be led by Lyman C. Baldwin, vice-president Security L. & H., assisted by H. Fred Monley, assistant director of the company relations.

Frank L. Whitbeck, Jr., vice-president and director of agencies Union Life of Little Rock, will preside at the smaller companies' meeting, with Burkett W. Huey, assistant director company relations.

The program for the third day of the conference has not yet been announced.

## Events Cram Busy Week at N.A.L.U. Chicago Midyear

### Advance Registrations Hint That Crowd Will Be Record

The program has been completed for the midyear meeting of National Assn. of Life Underwriters at the Edgewater Beach Hotel, Chicago, March 17-20, according to Henry C. Hunken, Connecticut Mutual, Chicago, general chairman. Advance reservations for accommodations indicate that a record number of state and local associations in all the sections of the country will be represented.

The four day schedule will open with an all day meeting of the N.A.L.U. trustees on Monday, March 17. On the morning of that day, the newly created General Agents and Managers Conference of N.A.L.U. will hold committee meetings which will conclude with a luncheon at which Holgar J. Johnson, president of the Institute of Life Insurance will address the group on "Today's Challenge to Field Management."

On Monday afternoon the General Agents and Managers Conference will convene for its management program and hear two agency heads speaking on the theme, "Top-flight Leaders Look at the Job of Field Management." Opening the session will be Harold T. Dillon, National Life of Vermont, Atlanta, speaking on "Selection Through Vocational Guidance." The closing speaker will be Earl M. Schwemm, manager Great-West Life, Chicago, who will discuss "Raising the Sights of Our Men." In the evening the general agents and managers will hold a reception and dinner at which A. Gordon Nairn, Canadian director of agencies for Prudential, will speak. Following the dinner the board of directors of the conference will meet.

### Management on Thursday

On Thursday morning, March 18, the management program will continue with William T. Earls, Mutual Benefit Life, Cincinnati, speaking on "Agency Building in Retrospect." He will be followed by Halsey D. Josephson, Connecticut Mutual Life, New York, whose subject is "My Philosophy of Agency Management."

Tuesday afternoon the N.A.L.U. committees will deliberate. The N.A.L.U. trustees will meet later that afternoon to receive any additional recommendations resulting from those meetings and which will be presented to the national council on the following day.

Chicago women have invited all women guests attending the midyear meeting to a reception and dinner at the Kungsholm restaurant. Automobiles will be provided to transport guests to the dinner. The guests will be entertained by the Kungsholm puppet opera.

On Wednesday, March 19, the national council will meet.

Between the morning and afternoon sessions of the council the "Wheelhorse and LUTC Fellowship Luncheon" will bring together N.A.L.U. officers, trustees, delegates and committeemen with brief talks from several outstanding personalities. On Wednesday evening the members of the national council will be entertained by the host association at an invitational reception.

The N.A.L.U. trustees will hold another full day session on Thursday, March 20.

Another session staged for Thursday will be the Chicago sales congress which

(CONTINUED ON PAGE 24)

## End to End

Underwriters talking to prospects have found that the astronomical figures quoted in annual reports do not induce people to buy although they are favorably impressed with the solidity of the institution. Neither are they vitally interested in how far so many dollars would reach if laid end to end. What counts with a prospect is what life insurance can do for him personally. Underwriters, sensing this fact, try to talk in word pictures of human interest stories.

Life insurance has done and is doing many useful and valuable things for people, and proof is all about us. You probably know families nearby that have been helped by the work of the institution—families that have been held together, children who have been educated, homes where life insurance prevented a break-up, and businesses kept off the rocks through the use of life insurance money. These provide the word pictures which would interest anyone, even when preserving anonymity to respect privacy.

When production records are presented in terms of benefits rather than business issued the change will be for the better. Word pictures are all about us waiting to be seen.

### THE PENN MUTUAL LIFE INSURANCE CO.

MALCOLM ADAM

President

INDEPENDENCE SQUARE, PHILADELPHIA

## Figures from Companies' Year-End Statements Shown

	Total Assets	Increase in Assets	Surplus to Policyholders	New Bus. 1951	Ins. in Force Dec. 31, 1951	Increase in Ins. in Force*	Prem. Income 1951	Benefits Paid 1951	Total Disburs. 1951
Baltimore Life	42,948,055	3,270,247	3,057,720	41,342,439	232,619,192	17,794,615	7,623,081	2,546,961	6,183,244
Bankers H. & L., Ga.	10,151,949	813,443	2,547,316	27,497,508	71,007,492	4,983,202	3,262,329	966,359	2,892,385
Capitol Life, Col.	26,873,635	1,369,413	1,777,493	10,363,809	127,096,783	502,276	3,307,236	1,988,243	4,369,704
Cuna Mutual, Wis.	5,882,604	1,483,746	1,919,348	91,552,269	749,920,813	143,887,714	5,947,363	4,016,457	4,653,730
Farmers & Traders	27,157,026	2,128,039	1,560,649	11,947,162	707,213,985	45,285,683	3,007,058	916,138	2,032,496
Fidelity Mutual	253,957,784	11,426,129	10,479,430	73,205,204	294,943,806	10,860,686	8,893,730	13,667,831	24,723,832
Guarantee Mutual	71,807,201	5,366,858	5,934,541	26,876,847	971,289,727	72,458,183	28,814,822	5,741,964	41,227,789
Guardian Life	316,934,506	18,335,003	21,022,454	113,626,181	330,773,849	21,755,942	10,177,625	1,964,439	10,287,934
Knight's Life, Pa.	42,830,518	5,437,057	6,425,424	54,365,248	152,668,427	9,625,059	4,288,217	1,525,005	3,176,686
Lamar Life	44,588,301	3,478,870	4,043,580	16,860,384	486,690,324	51,240,191	13,488,024	3,859,044	9,684,644
Liberty Life	57,154,052	6,266,902	6,180,414	114,483,347	821,964,811	90,805,833	39,962,250	9,333,404	31,848,125
Life of Georgia	66,757,955	10,839,569	11,891,730	313,733,004	4,254,724,521	414,979,565	84,282,216	40,126,520	75,435,037
Lincoln Natl.	508,406,950	38,089,533	51,016,672	726,349,645	2,209,736,250	230,375,192	49,770,496	22,773,347	46,619,902
London Life	374,980,299	29,717,829	24,059,573	312,125,846	297,426,641	44,388,769	11,680,215	4,932,864	9,552,223
Manhattan Life	67,713,249	6,852,238	1,775,429	63,661,627	3,373,293,150	211,093,889	117,971,479	72,260,111	190,538,736
Monumental Life	125,022,228	10,489,777	12,852,537	81,194,762	696,557,449	37,658,568	21,262,110	5,498,356	14,966,993
Mutual Benefit Life	1,358,383,260	58,935,567	44,507,114	261,190,314	3,098,126,726	142,059,470	108,972,492	70,819,453	118,899,919
Mutual Savings, Ala.	5,071,213	998,707	1,726,235	67,351,480	88,015,175	25,557,453	2,603,317	1,003,084	2,564,917
National Reserve	29,163,346	17,025,668	2,760,185	75,024,683	133,972,189	68,941,924	4,960,377	477,257	2,228,152
North Amer. Reassur.	37,685,721	2,432,671	9,052,813	110,242,500	484,528,100	48,142,000	6,847,014	3,675,739	5,425,601
North Central, Minn.	1,474,262	—417,089	485,237	3,592,603	8,048,917	1,900,537	257,739	64,668	924,822
Northwestern Natl.	214,216,444	14,895,638	12,126,694	102,492,939	1,055,976,608	69,892,398	29,150,825	17,852,272	24,835,835
Security L. & A., Cal.	25,902,476	2,609,711	2,550,576	56,745,873	189,934,847	46,971,442	5,906,118	2,223,683	4,973,332
Security Mutual, Neb.	19,253,428	1,792,376	1,203,174	15,623,713	103,985,254	9,542,014	2,776,153	954,917	1,765,216
Security Mutual, N. Y.	66,462,580	5,465,976	3,463,848	48,980,200	309,694,026	30,924,105	12,083,658	6,302,307	11,632,751
Shenandoah Life	33,917,845	2,663,874	3,700,000	23,860,103	378,024,920	9,757,050	7,641,722	4,802,944	7,393,084
Southern, N. C.	9,193,664	1,370,440	2,361,501	37,412,426	84,383,935	7,186,868	3,576,145	708,977	2,680,000
State Mutual	415,435,940	30,763,047	23,208,691	158,794,606	1,391,482,307	110,499,257	43,688,071	24,050,410	61,581,870
Sun Life, Canada	1,666,026,018	68,699,046	110,464,808	461,776,754	4,801,516,304	339,600,645	177,214,931	124,688,086	246,036,276
Supreme Liberty	11,912,451	1,281,631	2,369,032	20,160,294	113,665,737	4,996,498	2,541,053	804,720	3,102,340
United, Ill.	29,612,196	12,105,035	5,351,528	80,422,457	258,324,471	98,817,718	22,053,255	6,317,090	21,878,608
Unity Mutual L. & A.	6,642,793	824,316	538,652	11,867,558	55,328,633	4,789,458	2,890,650	648,326	2,300,678
Universal L. & A.	7,821,701	1,034,196	1,871,756	21,774,656	72,772,903	3,191,378	2,356,990	558,625	1,823,525
World, Neb.	11,429,203	2,584,579	1,857,805	70,108,908	134,119,514	57,905,394	12,501,779	4,080,915	10,509,619

\*Does not include dividends nor payments from policy proceeds left with the company by policyholders and beneficiaries. Dividends paid to policyholders \$3,590,589.

In column six, the superior numbers denote net increases in group life insurance due to normal addition of employees to groups and employees becoming entitled to additional insurance. The respective increases are \$297,196; \$137,250; \$630,072; \$4,274,463; \$13,853,693; \$13,630,524; \$4,958,594; \$23,861,698; \$5,895,284; \$459,237; \$3,525,691; \$37,357,127; \$102,145,828; \$1,293,000. †Figures include amounts received through absorption of Policyholders National of South Dakota.

## PITTSBURGH DECISION

### Korean Action Is "War"; Rider Lets Out Company

Three judges of the county court at Pittsburgh have ruled that the fighting in Korea constitutes a "war" not a "police action" or "armed conflict," but they differed in interpretation of a war risk rider on the policy. In a majority opinion, Judges Kaufman and Lencer held that the company need not pay death benefits. In a dissenting opinion, Judge Lewis held that it should.

In a brief statement accompanying the ruling, the three judges noted that the riddle of whether the Korean action is a war confronts courts all over the country.

The case was brought into court by Julia Beley, mother and beneficiary of Corp. Andrew Beley of Pittsburgh who was killed in Korea a year ago. Corp. Beley had a \$1,000 life policy with Pennsylvania Mutual Life which carried a double indemnity clause for accidental death. A war risk rider exempted the company from benefit payments if the insured met his death as a result of war.

The attorney for the plaintiff contended that the Korean conflict was a governmental police action of members of the United Nations and that Congress had not declared war, so the insurance should be paid.

### "Real War," Company Contends

The company held that declared or undeclared it was a real war and that the mother was entitled only to refund of premiums already paid as provided in the war risk clause.

Both court opinions were emphatic in agreement that the situation in Korea is real war. The majority opinion held the mother was expressly excluded from benefits of the policy. Judge Lewis quoted history to support his contention that the word "war" is an ambiguous one and can mean either declared or undeclared war. He cited the legal principle which holds that in any case of ambiguity in a contract the interpretation in case of dispute must be resolved against the drafter of the contract. In this case he held that one cannot know whether the insurance company which drafted the policy intended "war" to refer to a declared or undeclared war. Since the company wrote the policy "war" must be interpreted to mean a declared one and thus Mrs. Beley should collect since the Korean war is undeclared.

### Heavy Taxation Increases Need for Life Insurance

Increasingly "heavy taxation makes life insurance, even social security, indispensable," J. Homer Hardy, C.P.A. and tax consultant, told the Chattanooga Estate Planning Council. Due to this "taxing program," Mr. Hardy concluded, "the great mass of people have to depend upon collective means of security in their old age, and even for care and medical attention in cases of serious illness." He intimated that a great number of taxpayers resent the heavy levies assessed against them and said so-called "errors" in income tax returns significantly are "91% against the government" and only 9% against the taxpayer. He classed as a "gross understatement" the suggestion that federal taxes approximate only 20%.

### Honor Veteran Employees

Guilford Dudley, Jr., president of Life & Casualty, recently presented service awards to 15 home office employees who have been with the company 10 or more years. Three of those honored had more than 25 years of service.

# PROVIDENT PROGRESS

*During 1951*

Life Insurance in Force gained . . \$124,253,208.00

Accident and Health Premium

Income increased . . . . . \$ 5,529,919.85

### Life Insurance in Force

1931 ■ \$58,230,667.00

1941 ■ \$176,406,810.00

\$889,277,774.00

1951 ■

### Accident & Health Premiums

1931 ■ \$4,276,060.54

1941 ■ \$8,768,564.37

\$33,784,242.23

1951 ■

Another good year built on specially designed Provident plans and an outstanding field organization to sell them. We extend our congratulations on this 1951 production record to all Provident producers and brokers in 44 states and Canada.



**PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY**  
CHATTANOOGA

1887... 65th Year... 1952





## FINANCIAL STATEMENT

### December 31, 1951

#### ASSETS

Bonds Owned .....	\$ 152,226,835.52
Real Estate Loans .....	183,365,063.08
Stocks Owned .....	11,282,622.28
Cash in Banks and Offices .....	7,238,215.18
Real Estate Owned .....	10,741,170.38
Net Unpaid and Deferred Premiums .....	7,820,490.00
Policy Loans .....	13,513,572.85
Collateral Loans .....	28,000.00
Interest Due and Accrued .....	1,931,782.80
<b>TOTAL ASSETS .....</b>	<b>\$ 388,147,752.09</b>

#### LIABILITIES

Legal Reserve, Life and Annuity Contracts .....	\$ 333,893,167.00
Reserve, Disability Policies .....	2,735,808.00
Investment and Mortality Contingency Fund .....	9,000,000.00
Gross Premiums and Interest Paid in Advance .....	2,028,562.92
Taxes Accrued But Not Due .....	2,503,702.30
Agents' Bond Deposits .....	727,540.61
Reserve for Claims in Process of Payment .....	1,707,179.09
Commissions Accrued to Agents, and All Other Items .....	1,121,673.85
<b>Liabilities Other Than Capital and Surplus .....</b>	<b>\$ 353,717,633.77</b>
<b>Capital and Surplus .....</b>	<b>34,430,118.32</b>
<b>TOTAL LIABILITIES .....</b>	<b>\$ 388,147,752.09</b>

Gain in Life Insurance in Force During 1951 .....	\$ 322,829,389.00
Total Life Insurance in Force December 31, 1951 .....	2,891,772,678.00

# The NATIONAL LIFE and Accident Insurance Co.

Nashville, Tenn.

C. R. Clements  
Chairman of the Board

Edwin W. Craig  
President



## Complete- personal insurance service!

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Life                               | <input checked="" type="checkbox"/> Group          |
| <input checked="" type="checkbox"/> Health                             | <input checked="" type="checkbox"/> Salary Savings |
| <input checked="" type="checkbox"/> Accident                           | <input checked="" type="checkbox"/> Franchise      |
| <input checked="" type="checkbox"/> Hospitalization                    | <input checked="" type="checkbox"/> Wholesale      |
| <input checked="" type="checkbox"/> Medical and Surgical Reimbursement | <input checked="" type="checkbox"/> Brokerage      |
|  | <input checked="" type="checkbox"/> Reinsurance    |

Registered Life Protection

## Republic National Life Insurance Company

Theo. P. Beasley, President

Home Office: Dallas

Life insurance in force exceeds \$360,000,000.00

## PRODUCTION DRIVE TURNS SPOTLIGHT ON TRAINED MEN

Robert E. Lee stands out as a great leader in giving trained men the spotlight of home office assistance! More than 500 men and women in the field during the past year added over 14,000 policyholders to our books. Our million-dollar-month record last year will be overshadowed by our new, aggressive reorganization program.

*and that isn't all...*

All of the outstanding stock of The Robert E. Lee Life Insurance Company has been purchased by R. Frank Lee and Ben Kohen. Under the new program a most unusual opportunity is offered to trained and experienced underwriters. Those desiring a new and more profitable association will find it most beneficial to investigate immediately!

- Life    ● Hospitalization    ● Health  
and Accident    ● Polio

### ROBERT E. LEE LIFE INSURANCE COMPANY

Old Line Legal Reserve

5838 LIVE OAK

DALLAS, TEXAS

## Eight Changes Made in Top Ranks of N. W. National

Eight changes in titles have been made by Northwestern National among its top executives. George W. Wells, acting president, has been named president. W. R. Jenkins advances from vice-president to 1st vice-president; W. F. Grantges from second vice-president and agency director to vice-president and agency director; Frank S. Kremer



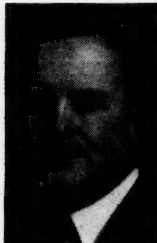
GEORGE W. WELLS



W. R. JENKINS



DR. K. W. ANDERSON



J. Q. TAYLOR

from secretary to vice-president and secretary; Dr. Karl W. Anderson from medical director to second vice-president and medical director; James Q. Taylor from underwriting director to second vice-president and underwriter; C. H. Mathews from director of securities to manager securities de-



W. F. GRANTGES



FRANK S. KREMER



REUBEN A. SCOTT



CLAUDE H. MATHEWS

partment; Reuben A. Scott from director of mortgage loans to manager mortgage loan department.

Mr. Wells joined the company in 1928, first as acting secretary and later became vice-president. Prior to that he was insurance commissioner of Minnesota.

Mr. Jenkins came to the company from the management consultant field in 1935 as director of sales research. He was named sales director in 1942 and vice-president in 1944. He has been a director and chairman of the finance committee of L.I.A.M.A.

Mr. Grantges started with the company as agency director in 1928 and was made second vice-president and agency director in 1950. Mr. Kremer, a graduate of South Dakota State College and

University of Michigan, practiced law in South Dakota for 13 years, was on the staff on the farm credit administration in Washington, D. C., and Minneapolis for three years and joined Northwestern National in 1935. He became assistant counsel in 1949 and secretary of the company in 1950.

Dr. Anderson, a graduate of the University of Minnesota medical school, started with the company in 1931 as assistant medical director, advanced to chief medical officer and to medical director in 1946. Mr. Taylor joined the company as chief underwriter in the medical department in 1922, advancing to assistant secretary and to underwriting director. He is currently president of the Institute of Home Office Underwriters.

Mr. Mathews joined the company in 1932 as head of a research unit in the company's investment department. He later became assistant treasurer and in 1950 was appointed director of securities. Mr. Scott has been a member of the company's investment department since 1932, and has been a field representative for farm loans and city loans, assistant secretary and director of mortgage loans.

## Penn Mutual Issues New Ordinary Policy

Penn Mutual Life has issued a new ordinary life policy with a minimum face amount of \$10,000, and a lower gross rate.

The policy has a better net cost figure with no reduction in values, no change in options, and no underwriting restrictions.

The old ordinary policy for less than \$10,000 has been replaced by life paid up at 85. For the buyer of the smaller policies, the rates are comparable to the old ordinary, except at advanced ages. The net ledger cost for 20 years is better than the old ordinary policy.

In the new ordinary policy the underwriting and other rules applicable to ordinary will continue to apply on the new basis. The prospect need not be a preferred risk to qualify. All ordinary forms previously available will be offered on the new basis.

Both the new ordinary form and life paid up at 85 form may be issued on the term automatic conversion plan. They may also be issued with balanced protection, convertible income and mortgage protection riders.

## Plan to Enlarge Health Insurance Council Work

Three representatives of each of the nine trade associations which constitute the membership of Health Insurance Council met at Chicago last week. The meeting was called by John W. Joanis, Hardware Mutual Casualty, council chairman, to discuss council activities.

It was the consensus of opinion of those attending that the council should be continued and strengthened. It was felt that the council should increase its activity to the extent of collecting and disseminating information on accident and health insurance so that present programs might be aided and made more effective.

## Penn Mutual Women Leaders

Mrs. Marion J. DuPaul of Philadelphia, led all Penn Mutual women producers for 1951 with a volume of \$282,000. Mrs. Elizabeth S. Evans, Atlanta, was second, and Mrs. George R. Hemphill, Pittsburgh, finished third.

INSURANCE COMPANIES  
Bought and Sold  
INQUIRIES INVITED  
Confidential

BRINSOR ASSOCIATES  
102 Waldheim Bldg. • W. 4266 • Kansas City, Mo.



## Miller Presents Company Views on R.R. Act Increase

John H. Miller, vice-president and actuary of Monarch Life, appeared before the senate committee on labor and public welfare and the house committee on interstate and foreign commerce concerning bills to increase the unemployment and sickness benefits of the railroad unemployment insurance act. He presented the views of American Life Convention and Life Insurance Assn. Mr. Miller said the proposal to increase by 50% the unemployment and sickness benefits under the act was contrary to basic social security principles. He reported that these increases would render the railroad sickness insurance program farther out of line with other social security programs and the increased benefits would further encroach on voluntary insurance. He opined that the congressional committee has a real opportunity to take steps toward harmonizing the railroad program with basic social security principles, with other social security programs and with voluntary insurance activities. Not only do the railroad security programs appear to be out of step with other programs, but the other programs themselves go off in various directions, pursuing divergent aims and all too frequently yielding anomalous results, he declared. "What is really needed is a broad over-all study which would seek to determine fundamental social security principles, and which would make recommendations for broad revisions in each of the various phases of social security legislation in order to bring each into line with the fundamental principles," he said. He indicated that if Congress considered it feasible to launch such a study at this time, the details could probably be worked out by integrating the basic social security study projected by the senate under resolution 300 with a broad study of the railroad retirement act. He commented, "in general it seems inevitable that sooner or later some order must be brought out of the growing chaos characterizing the nation's social security structure."

### Miller's Recommendations

Mr. Miller made the following recommendations in connection with the identical house and senate bills to increase the unemployment and sickness benefits under the railroad act. His recommendations summarized were:

1. The provisions of the railroad unemployment insurance act should be recast to set up two separate programs, one of unemployment compensation and the other of sickness and maternity insurance. The payroll taxes supporting the present combined system should be appropriately divided between the two programs, and the amount now to the credit of the railroad unemployment insurance account should likewise be appropriately divided between the two.

2. The program of sickness and maternity insurance should utilize private insurance as an instrumentality for providing the compulsory benefits.

This could be done through incorporation of suitable "contracting-out" provisions. The life insurance business would be glad to cooperate with other interested groups in developing such provision. They could undoubtedly be perfected during the present session of Congress.

3. There should be no consideration of the levels of railroad sickness benefits until the foregoing recommendations are adopted. If they are adopted, and if some increase in the sickness benefits is deemed essential, then the liberalized benefit should not break new ground by going beyond the general benefit level of the four existing state sickness insurance systems. Also, employee contributions at least sufficient to finance any

benefit increase, ought to be introduced.

4. Prior to the adoption of the foregoing or any other changes in the railroad unemployment insurance act, a comprehensive study of that act would be desirable. One means of providing for such a study would be to broaden the study of the railroad retirement act projected by senate congressional resolution 51 to encompass the railroad unemployment insurance act. Such a broad study of the railroad program should be integrated with the basic study of the social security generally.

## Kennedy to Bloomington

Leroy G. Kennedy, who has represented Metropolitan Life at Peoria for 17 years, has been appointed manager at Bloomington, Ill. He attended Bradley University and later was a pre-law student at Northwestern, joined Metropolitan in 1935 and became an assistant manager three years ago. He is a director of Life Underwriters Assn. of Peoria.

## Schrivier Wins Freedom Award

Lester O. Schriver, general agent for

Aetna Life at Peoria, and past president of the National Assn. of Life Underwriters, received an honor award from Freedoms Foundation based upon his address "Wanted—Statesmen", delivered at the closing session of the N.A.L.U. convention at Los Angeles last September.

The Insurance Society of Ohio State University, Columbus, held a smoker at which Miss Mary T. Crowe of Equitable Society was the principal speaker.



## notice any resemblance?

Perhaps you do. But there's more to that resemblance than meets the eye. Not only do these two men share the same hobby of hunting—but they also share in the same security and well-being that comes from representing The Union Central Life Insurance Company. Yes, Stephen R. McGreevy and his son, Joseph D. McGreevy are another successful Union Central father-son team.

Stephen R., the father, has been with The Union Central Life Insurance Company since March 3, 1915. During his long association with Union Central, S. R. McGreevy has enjoyed a rewarding and happy life. Today, he is Union Central's General Agent in Sioux Falls, South Dakota.

Joseph "Blackie" McGreevy graduated from Creighton University with degrees in science and law. With his father's experience always before him, it was only natural that "Blackie" would turn to life insurance as the most satisfying career. So when he was discharged from the U. S. Army Counter Intelligence Corps in December, 1945, he joined the Union Central Agency in Sioux Falls. Under his father's experienced guidance, he has been successful from the very start.

The McGreevy's, father and son, know that Union Central not only helps a man provide for his own family but also gives him the opportunity to contribute to the welfare of his fellow men. There is a deep satisfaction in that. And there is a fine sense of security in knowing that Union Central takes good care of its men during their active years and also assures them of liberal retirement and pension arrangements.

The Union Central agent's career is also made more rewarding and more pleasant by effective sales tools developed by an alert and cooperative Home Office. And, of course, Union Central offers a policy to meet every live insurance need from birth to age 70.

The Union Central  
Life Insurance  
Company

CINCINNATI, OHIO



## Builders of Men...

### THE REASONS WHY--

#### OUR AGENCY DEVELOPMENT PROGRAM IS EXPANDING

GOOD MEN CAN MAKE MORE MONEY  
SELLING COMPLETE PROTECTION PLANS  
ALL UNDER ONE CONTRACT

LIFE  
ACCIDENT  
SICKNESS  
HOSPITALIZATION

EXCELLENT TERRITORY AVAILABLE  
DUE TO OUR EXPANSION PROGRAM

OUR BUILDERS OF MEN PLAN HELPS OUR MEN SUCCEED

RALPH E. KIPLINGER  
PRESIDENT

GEORGE L. HAMLIN, C.L.U.  
AGENCY VICE PRESIDENT

OUR SECOND HALF CENTURY



The Progressive  
**GUARANTEE MUTUAL**  
LIFE COMPANY  
— Omaha, Nebraska —



**closing...** is easier with

Pacific Mutual's complete personal protection plans.  
One reason—ACCIDENT & SICKNESS DISABILITY INCOME is a powerful motivator.

**Pacific Mutual**

LIFE INSURANCE COMPANY  
HOME OFFICE—LOS ANGELES, CALIF.  
Doing business only through General Agencies  
located in 40 states and the District of Columbia



## LIAMA Cooperation Committee Named

State and provincial committeemen of L.I.A.M.A.'s committee on cooperation with other organizations have been named by H. S. McConachie, American Mutual, president of the association. C. W. Arnold, vice-president and superintendent of agents of Kansas City Life, is chairman of the committee. State representatives are:

Alabama, A. A. Biggio, Liberty National; Arkansas, E. W. Washington, National Equity; California, Harry J. Stewart, West Coast Life; Colorado, Thomas F. Daly, II, Capitol Life; Connecticut, Joseph Thompson, Travelers; Delaware, Claude L. Benner, Continental American; District of Columbia, W. W. White, Peoples Life; Florida, Walter H. Salta, Peninsular Life; Georgia, P. W. Jones, Bankers Health & Life; Illinois, S. Robert Rauwolf, North American Accident.

Indiana, Randall G. Yeager, Lafayette Life; Iowa, T. C. Rudicill, National Life of Des Moines; Kansas, R. L. Burns, Farmers & Bankers; Kentucky, Morton Boyd, Commonwealth Life; Louisiana, Charles J. Mesman, Pan-American; Maine, Robert C. Russ, Union Mutual; Maryland, William H. Keidel, Monumental; Massachusetts, F. R. Hennig, Loyal Protective; Minnesota, T. S. Sanborn, North Central; Mississippi, A. H. Doty, Standard Life of Jackson.

Missouri, J. DeWitt Mills, Mutual Savings; Montana, Lee Cannon, Western Life; Nebraska, Raymond F. Low, American Reserve; New Hampshire, William D. Haller, United Life & Accident; New Jersey, W. J. Sieger, Bankers National; New York, M. O. Doolittle, Empire State Mutual; North Carolina, Bascom Baynes, Home Security; North Dakota, W. E. Wright, Pioneer Mutual; Ohio, Grant Westgate, Ohio National; Oklahoma, Norman A. Morse, Home State.

Oregon, Raymond R. Brown, Standard of Portland; Pennsylvania, Edwin M. Keough, Pennsylvania Mutual; South Carolina, Arthur P. Langley, Carolina Life; Tennessee, Sam E. Miles, Provident Life & Accident; Texas, Robert Schulman, Pioneer American; Utah, Kenneth W. Cring, Pacific National; Vermont, C. Vance Shepherd, National Life; Virginia, Richard W. Wiltshire, Home Beneficial; Washington, Burt Babcock, New World Life; Wisconsin, Paul A. Parker, Old Line Life.

For Canada: Manitoba, H. M. Melkjohn, Sovereign Life; Ontario, Howard Moffat, National Life Assurance; Quebec, Gerard White, Les Prevoyants.

## Travelers Changes Involve Group, Field Supervisors

Travelers has appointed Craig Holder group supervisor at San Francisco, and transferred Marvin E. Herbst, group supervisor at Charlotte, N. C., to Los Angeles.

The company has also named the following field supervisors: Joseph E. Wilkinson, Washington, D. C.; James D. Carroll, Kansas City; Edwin B. Payne, Grand Rapids, Mich.; William E. Siebert, Jr., Newark; Francis R. Cullum, Atlanta, and Robert T. Collins, Seattle.

Assistant managers recently transferred are Donald R. Dittmore, Jacksonville, Fla., to Houston; Neal S. Sutton, Minneapolis to San Antonio; Carl D. Stockdale, Toledo, O., to Los Angeles, and Norman W. Anderson, Duluth, Minn., to Lincoln, Neb.

## Give Report to Employees

Northwestern Mutual held a series of group meetings, based on three periods of years of service, with 1,500 in attendance, to hear its 1951 report to employees. The project was devised by William W. Cary, public relations head, as an opportunity for the employees to hear, see and ask about the company and its operations.

The program, entitled "You Are Entitled to Know How Your Company Is Doing," included a short play written by Laffin Jones, director of insurance research. It showed a home scene with one couple entertaining another when a simulated "Northwestern Mutual telecast" was announced on TV during a card game. The screen was changed to a large movie screen as the scene faded out, and a series of colored slides on the company's 1951 progress was shown.

With Mr. Cary as moderator, a ques-

tion period followed. The panel included Edmund Fitzgerald, president; Grant Hill, vice-president and director of agencies; V. E. Henningsen, comptroller, and Miss Louise M. Newman, personnel director. Written questions were read and answered by panel members.

## Await Gibbs' Successor

There is a lot of speculation and interest in who will be appointed casualty insurance commissioner of Texas to take the place of J. P. Gibbs who has resigned. There are a large number of candidates for the position among those in the insurance sphere including persons now and formerly with the department. However, some observers are guessing that the governor will go outside the business for his selection and the appointee will be one who is not known to be a candidate for the office or who is not being mentioned as a possibility.

## Double Duty for Nussbaum

A. Jack Nussbaum, Northwestern Mutual, Milwaukee, trustee of N.A.L.U., spoke before Duluth Assn. of Life Underwriters and then before General Agents & Managers Assn. of Duluth at noon and evening meetings, respectively.

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## Smaller Size Cases Fertile Field for New Group Lines

The field of baby group insurance involving coverages on less than 25 lives, one of the most fertile fields for writing new group business, was the topic of A. M. Kunis of U. S. Life, at the educational seminar of the Bureau of A. & H. Underwriters.

He said that the two principal sources of group business today are union negotiated welfare funds and coverages on small employers. Welfare fund business has given companies just entering the field as well as the small group writing companies an opportunity to compete successfully with large companies, he observed. Many business opportunities were opened up also by the elimination of the 25-life minimum requirement in the New York group A. & H. law, he said.

About 25% of the employers in that state have less than 25 employees. Group hospitalization, surgical and medical expense coverages are logical auxiliaries to the basic compulsory disability insurance in New Jersey and New York.

There is also an increasing demand by small employers for these benefits to help them compete with larger employers since they are at a disadvantage in the employment market if they cannot offer employees the same benefits.

### Underwriting Angles

Mr. Kunis cited five underwriting considerations of special application to the smaller groups. There is the possibility of adverse selection and less chance of a normal risk spread and a consequent need for caution in avoiding selection by executives and employees at the older ages. Underwriting must also give recognition of the type of company, stability of employment, labor turnover and expected persistency. Underwriters must watch against the possibility of the inclusion of other than bona fide full time employees. There is also a possibility of anti-selection arising from the inclusion of members of the proprietor's family.

There are greater chance fluctuations in the claim rate between groups. Dividend formulas must be modified to take into consideration the greater pooling of risk required for a smaller group and the different practices used in their administration. To assure proper breadth of coverage, two or more forms of coverage should be offered. He said that it may be necessary to require a minimum premium to keep expenses within the margins provided by the premium rates and to have inspection reports to check on the general quality of the business.

The standard plan offered by U. S. Life consists of hospitalization, surgical and in-hospital medical expense under one policy.

After reviewing the schedule of benefits, Mr. Kunis pointed out that premiums may be paid entirely by the employer or by the employer and employees jointly. In any event, the employer must contribute at least 30% of the cost. In non-contributory cases, 100% enrollment of eligible employees is required. On contributory cases, 85% enrollment is needed.

Among the reasons for decline are the following: 1. More than 20% of the employees to be covered are over age 60. 2. More than 40% of the employees to be covered consist of the employer and members of his family. 3. More than 20% of the employees to be covered are sub-standard. 4. The average number of dependents per employee with dependents exceeds four.

### Simple Administration

The company also tries to sell wholesale group life along with the A. & H., hospitalization, and medical coverages. Economy of administration is essential to successful underwriting of baby groups, he said. Since the volume of insurance transactions is small, there may be no one in the employer's office who will become familiar with the insur-

ance. Consequently, unless administration is standardized and simplified to a high degree, the quality of administration by the employer will likely be poor. Personal service by the insurer is limited by its cost. Changes in techniques may be necessary to keep down home office costs. Simplicity is important to avoid

misunderstandings and reduce expenses. Plans and methods must be standardized. Expenses must be carefully analyzed and controlled. Checks are required to assure that expenses are within the amounts provided for them in the premium rates. It may be necessary to absorb in the general dividend or experience rating formula some of the increase in expense under this class of business.

U. S. Life's baby group plan calls for a high degree of self-administration by the employer. The company has incor-

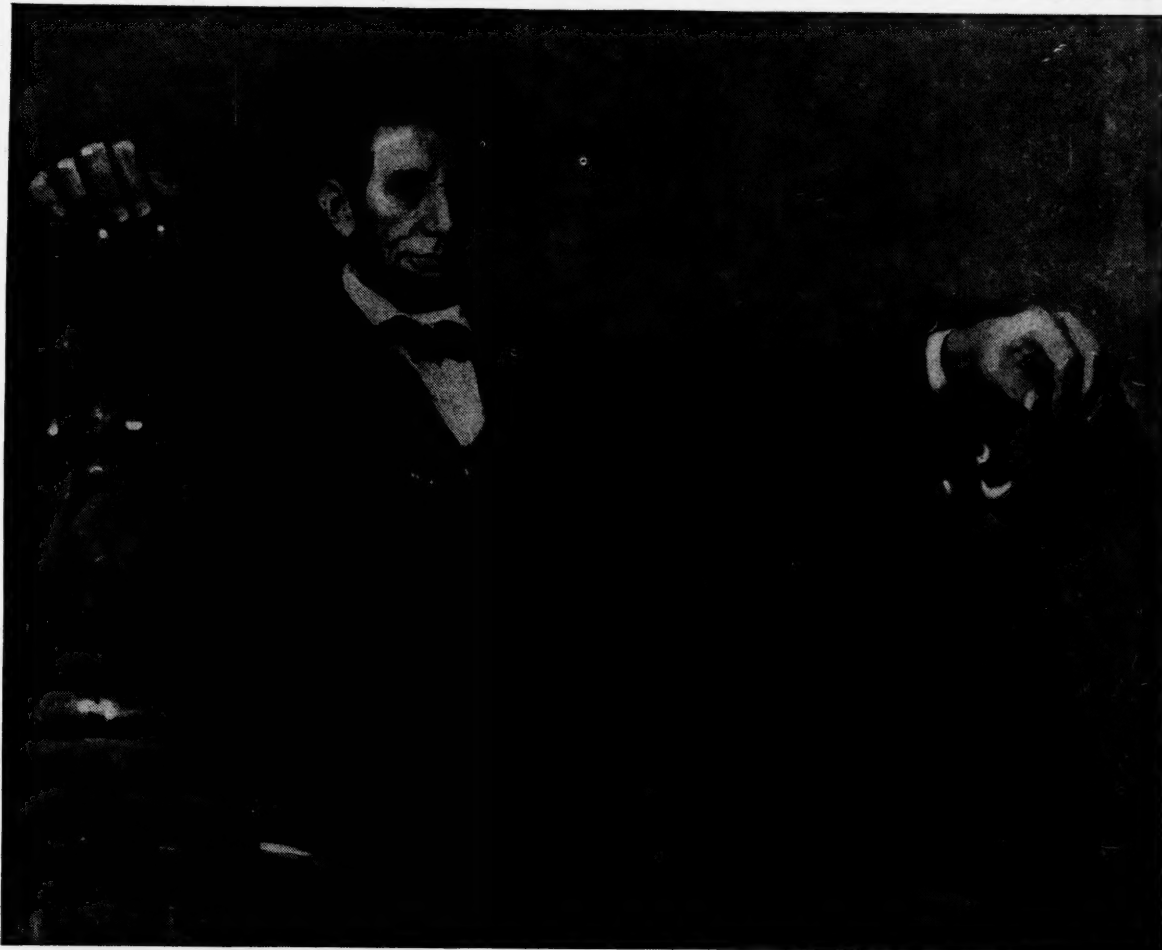
(CONTINUED ON PAGE 24)

## Klein Production Soars

Paid production for February for the Klein agency of Home Life of New York at Chicago was up 297% over February of last year. Production totals for the first two months ran 52% ahead of last year.

## Record Gains for Farm Bureau

Farm Bureau Life reports the largest gains in its history in 1951, with \$130 million issued and paid for. Life insurance in force rose to \$474,246,455.



*He was everybody, grown a little taller*

Let's skip all the things you've read about him, all the things you heard too often or too young.

Forget the face on the penny, the statue in Washington, the Emancipation Proclamation, the speech at Gettysburg. Forget the official things and look at the big thing.

Why do we love this man, dead long before our time, yet dear to us as a father? What was there about Abraham Lincoln?

He came out of no place special—a cabin like any other out West. His folks were nobody special—pleasant, hardworking people like many others. Abe was a smart boy, but not too smart. He could do a good day's work on the farm, though he'd just as soon stand around and talk. He told funny stories. He was strong and kind. He'd never try to hurt you, or cheat you, or fool you.

Young Abe worked at odd jobs and read law books at night. Eventually he found his way into local politics. And it was then that people, listening to his speeches, began to know there was something special about Abe Lincoln.

Abe talked about running a country as if it were something you could do. It was just a matter of people getting along.

He had nothing against anybody, rich or

poor, who went his own way and let the other fellow go his. No matter how mixed up things got, Abe made you feel that the answer was somewhere among those old rules that everybody knows: no hurting, no cheating, no fooling.

Abe had a way of growing without changing. So it seemed perfectly natural to find him in the White House one day, padding around in his slippers, putting his feet on a chair when he had a deep one to think about—the same Abe Lincoln he'd always been, and yet the most dignified and the strongest and the steadiest man anybody had ever known. And when that terrible war came that might have torn his country apart, no one doubted what Abe would do. He was a family man; he resolved to keep the American family together.

Abe Lincoln always did what most people would have done, said what most people wanted said, thought what most people thought when they stopped to think about it. He was everybody, grown a little taller—the warm and living proof of our American faith that greatness comes out of everywhere when it is free to come.

*John Hancock*

MUTUAL LIFE INSURANCE COMPANY  
BOSTON, MASSACHUSETTS





## L.I.A.M.A. Appoints Chairmen for 1952

The following 18 standing committees will be continued through 1952 with the following chairmen appointed by L.I.A.M.A.:

Finance, W. Rankin Furey, Berkshire Life; ways and means, Sayre MacLeod, Prudential; agency costs, Roger Hull, Mutual Life; annual meeting, Richard E. Pille, Mutual Benefit Life; audit, Clifford R. Walker, Connecticut Mutual Life.

Canadian companies, Arthur F. Williams, Crown Life; compensation, E. J. Moorhead, United States Life; cooperation with other organizations, C. W. Arnold, Kansas City Life; education and training, Raymond C. Johnson, New York Life; human relations, Ralph R. Lounsbury, Bankers National Life; membership, H. P. Anderson, Life of Virginia; public information, Karl Ljung, Jefferson Standard Life; quality business, Clifford L. Morse, Phoenix Mutual Life; relations with universities, C. B. Metzger, Equitable Society; research advisory, J. A. McAllister, Sun Life of Canada.

Advisory council on life underwriter education and training, Vincent B. Coffin, Connecticut Mutual Life; agency management training advisory, Calvin L. Pontius, Fidelity Mutual Life; life underwriter training council, Orville E. Beal, Prudential.

## Large City Sales Fall Off, States Show January Gain

Of the eight largest cities analyzed by L.I.A.M.A. for January increases in ordinary business, only Cleveland, Los Angeles, and Boston showed gains over last January, and sales in the balance of cities showed drops from —1% at Chicago to a low of —10% at Philadelphia. Cleveland sales were up 34%; Los Angeles sales gained 12%, and Boston sales increased 2%.

New Mexico led in state sales with a 39% gain. Texas sales were up 35%, and Oklahoma business increased 31%. Only nine states showed drops below 1950 business.

## Shanks to Appear Before Patman Group March 19

WASHINGTON — Rep. Patman, Texas, chairman subcommittee on general credit control and debt management, of the joint committee on economic report, has announced a series of hearings beginning March 10.

Scheduled for March 19 is Carrol M. Shanks, president Prudential. Other witnesses include Maple T. Harl, federal deposit insurance corporation and other government officials, bankers and economists.

Panel discussions on banking in a dynamic economy, monetary and debt management policy, voluntary credit restraint, etc., are scheduled March 24-27.

## Larsen Talks to Credit Men

In the critical months ahead, the United States will be able to surmount every obstacle "if we are willing to work for what we want and accept a fair return for the work we do," L. J. Larsen, executive vice-president of National Guardian Life, declared in speaking on "The Open Mind" at the credit conference of the fifth district of National Retail Credit Assn., meeting with Associated Credit Bureau of America and Credit Women's Breakfast Club at Madison, Wis.

Mr. Larsen contrasted the productive economy and high standards of living in the United States with other countries. The crises facing Americans today, he said, are not distinctively of this particular generation, but they have occurred many times before and solutions have always been found.

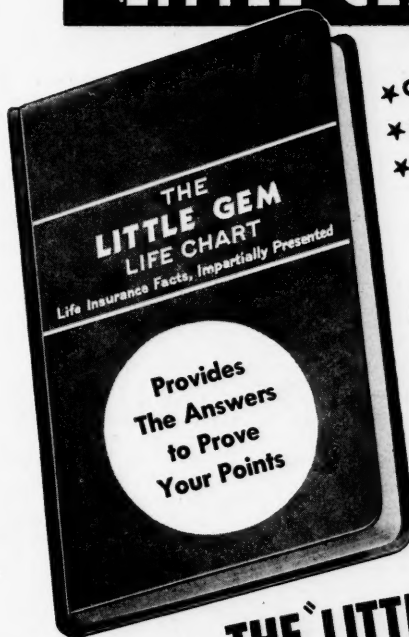
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## EDITORIAL COMMENT

### Is It Time to Desert the Burning Barn?

When a horse, after being led from a burning barn, tries to dash back into the doomed building we look upon his behavior as senseless. Actually, according to the horse psychologists, it is sensible except for one little point. The horse's reasoning or reaction is that the barn is his safe, warm, comfortable home; he is confused and scared to death, so naturally his impulse is to stay in or return to the spot that he considers his safest haven. However, he has failed to take into consideration the important fact that a fundamental condition has changed and that while warm, his home is no longer either safe or comfortable.

Human beings should not laugh too loudly at the horse's behavior, for few people are free from the tendency to see things as they used to be rather than as they are today. Specifically, there is the tendency to regard the dollar as something that can reasonably be used as a unit of value over an extended period of time.

Let's face it. Once the gold standard has been yanked from under the dollar, the dollar's value is subject to tinkering by the party in power for reasons of national or political policy. These, in turn, are influenced by groups that want what they want more than they want a stable currency.

In addition to these deliberate influences on the dollar's purchasing power there are changes resulting from normal operations of economic law.

All this is a long way around to this point: One of the most frequent objections to buying life insurance is that nobody knows what his dollars are going to be worth when they come back to him or his beneficiaries. Nobody doubts that any well managed, soundly regulated life company will pay back the number of dollars its contracts call for. But the question still persists: What can you buy with these dollars when they come back?

Is it possible that the life insurance business is too prone to stick to the dollar as its unit of value? Many of the major life companies were formed at a time when the dollar's value was fairly stable. Furthermore, even since 1929, the conservative course has seemed to be to use the dollar as the measuring stick.

But with the dollar becoming a symbol of uncertain value rather than stable purchasing power, may it not be time to re-examine the principle that dollar transactions are conservative transactions?

Perhaps the difficulty is not so much with the dollar as such but with the entire concept of debt ownership as contrasted with equity ownership. The dollar is not property. It is not a share in property. Formerly it was an evidence of the government's obligation to redeem the paper dollar with gold or silver but now it is no longer that.

It may well be that one of the greatest strengths of life insurance — its guarantees to pay off in a specified number of dollars — is the source of its major failing, which is the inability to guarantee to pay off in units of purchasing power of a potency equivalent to those that were paid in.

This line of thinking suggests several interesting possibilities, some of them fantastic. For example, a life insurance company might obligate itself to provide as death or retirement benefits not merely dollars but the actual commodities and services that people require to live on. A company might invest in housing not just for rental to the public but to provide living quarters to beneficiaries and retired persons. Or it might own farms to supply food for these people. Of course, even if such an idea were workable it would not be applicable clear across the board, for there are many commodities and services that would cost so much more to provide on this self-sufficient basis that the proposition would not be attractive.

A more practical approach to the ownership of property rather than evidences of debt is the acquisition of common stocks, whose earnings tend to keep step with living costs more closely than do the returns on debt investments. The most recent example is the plan of Teachers Insurance & Annuity. The bill in the New York legislature that would permit Teachers to set up a separate fund to invest in equities seems destined to become law.

There is evidence that other life companies would seek permission to set up similar funds if the Teachers' measure is enacted. Payments would be in terms of units of earnings rather than of a specified number of dollars.

This is symptomatic of an important change in attitude among more thoughtful members of the public. The move may seem like a radical step but actually it well may prove to be the truly conservative approach. If the dollar has lost its quality of dependability, then the only intelligent course is to seek an adequate substitute.

Perhaps there has been too great a

tendency to rely on the "guarantee" feature that is implicit in promising a given number of dollars to be paid under conditions set forth in the contract. There is, after all, nothing sacred about the principle of debt ownership as the sure road to security. Might it not be better to forego so much emphasis on ownership of debt and instead share in the actual ownership of goods, commodities, and real property?

In South Africa, perhaps because of laws being less restrictive, life companies can be set up with such complete freedom in investment matters that they can invest in equities and offer highly attractive though speculative returns. This indicates what can be done but it is more a step in the evolutionary process than final solution to the problem of finding a better standard of security than the present overly trustful reliance on the dollar as the basis of life insurance transactions.

Last year, a series of three articles in the London Economist, written by someone identified only as "a correspondent," stirred up a lot of interest by advocating the abandoning of efforts to resist inflation and instead roll with the punch and make the necessary adaptations to a world of constantly rising prices. He advocated a life insurance system designed to keep pace with advancing prices, one feature being that premiums would increase as prices and benefits increased.

The record seems to bear out the theory that prices are on a constant long-term uptrend, though with many fluctuations on the way. Whether that is actually the case or not, it is obviously desirable that insurance benefits provide the degree of income that the purchaser had in mind in making his payments. The fact that the present system provides no guarantee whatever of this is surely sufficient reason to see if there is not a better one, or at least some

modification that might be made in the present system to insure results more closely in line with what buyers envision. If it is true that prices are going to keep on increasing as far as can be foreseen, an obvious effect is to widen the disparity between the value of evidences of debt and that of equities over the long pull. And, of course the longer the pull the greater the disparity. The same difference exists between debt ownership and equity ownership when fluctuations in the value of the dollar are taking place.

If a life company were to anchor its obligations to the concept of providing income in terms of what it would buy rather than in number of dollars, it would concentrate on investing in securities and other property that would be the most likely to yield a constant income—in terms of purchasing power—through the years, even if it sometimes meant a smaller number of dollars than would have been earned by investment in evidences of debt. This feature of such a setup would have to be understood thoroughly or it would create a lot of dissatisfaction at such times as the dollar return or equities might be lower than the dollar return on mortgages and bonds.

There may well prove to be serious obstacles, perhaps insuperable ones in the way of widespread use of any plan to make life insurance proceeds payable in the same kind of purchasing power that bought them. But it seems like an idea worth exploring. Wouldn't a life agent have quite a powerful motivator if he could say, "No, we don't guarantee to pay you any specific number of dollars. But we do guarantee to pay you or your beneficiary a specified share in our company's earnings—and those earnings are on investments selected so as to pay returns that will be in line with living costs when they're paid." Shouldn't such a possibility be investigated?

## PERSONAL SIDE OF THE BUSINESS

**Bowman Doss**, executive vice-president of the Farm Bureau companies at Columbus, O., observed his 11th birthday last Saturday. As he was born on Feb. 29 his birthday comes only every four years.

**Martin L. Seltzer**, Iowa manager for the A. & H. department of General Accident and agent for Kansas City Life, is reported as improving at Mercy hospital, Des Moines. He collapsed while in a bank there and was rushed to the hospital. Cause of his illness has not been determined. He was for many years general agent there for Aetna Life.

**Carl W. Hansen**, an assistant manager at Orange, N. J., of John Hancock, was feted by his associates on his retirement after 30 years of service

and was presented a gold watch. It also marked his 40th wedding anniversary.

The periodical Washington report of the U. S. chamber of commerce carries a biographical sketch in a recent issue of the life of **Laurence F. Lee**, president of Peninsular Life and a vice-president of the U. S. chamber. It describes his life from the time he became the first white boy born in the mountainous area of northern New Mexico. It describes how he sold insurance as he worked his way through Yale law school, opened a law office at Albuquerque and became vice-president and general counsel of Occidental Life.

**Howard C. Reeder**, executive vice-president of Continental Assurance, is

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**PITTSBURGH 22, PA.**—503 Columbia Bldg., Tel. Court 1-2494. Jack Verde Stroup, Resident Manager.

**SAN FRANCISCO 4, CAL.**—507 Flatiron Bldg., Tel. Ebbrook 2-3054. F. W. Bland, Pacific Coast Manager.



giving an address on "Security in Business" March 17 at the convention of National Assn. of Surety Bond Producers at Chicago.

**Asa V. Call**, president of Pacific Mutual Life, has been named chairman of the committee on higher education of the Los Angeles chamber of commerce. The committee will seek to aid independent colleges and universities financially and to strengthen public awareness of the importance of the independent college.

## DEATHS

**DR. JOHN M. THOMAS**, 82, a director of National Life of Vermont and a vice-president of the company from 1930 to 1938, died at Rutland city hospital, where he had undergone a major operation. Dr. Thomas had served as president of Middlebury College, Pennsylvania State College, Rutgers University and Norwich University and had held many important civic posts.

**JOSEPH M. CONOVER**, 73, former assistant vice-president to the vice-president of Penn Mutual Life, died after a short illness at Philadelphia. He had been with the company 52 years.

**GEORGE R. WILLIAMS**, 59, former assistant general agent of John Hancock at Syracuse, died at Fulton, N. Y., after a long illness.

**J. WILLARD TUCKERMAN, JR.**, formerly assistant secretary of New England Mutual, died at his home at Cohasset, Mass. With the company since 1904, he had served in the claim, medical, auditing and agency departments. In 1925, he was appointed supervisor of the policy department and in 1935 assistant secretary and manager of the claim department. He retired in 1948.

**FRED W. STUDIER**, 50, 1st vice-president and treasurer of Lutheran Mutual Life, died of a heart attack at Waverly, Ia. Mr. Studier joined the company in the investment department in 1932, and became secretary of the investment board in 1937. In 1939, he was appointed treasurer. He became vice-president and treasurer in 1945, and the following year was elected to the board. He was named 1st vice-president and treasurer in 1949.

## Institute Grads to Gather

The first annual class reunion of institute of life insurance marketing at Southern Methodist has been set for April 7-11. A short course on formula programming will feature the reunion.

## OBSERVATIONS

### The Pencil Still Sells

Volume distribution, and a high reply ratio to contact letters would seem to indicate that the old mechanical pencil is still one of the most economical and effective sales promotion mediums for insurance companies. Equitable Society, New York Life, and John Hancock distribute two to three million yearly to prospects through agents and letters. Offering the pencil in a recent sales campaign, Connecticut Mutual Life replies were increased 50%.

### Brakes Fail to Halt Inflation

Those advocates of government "masking" or "stabilization" of an economy to halt inflation might study the examples of totalitarian Russia, and Sweden with its "middle way" socialism. From all reports it appears that in both Russia and Sweden both monetary and price inflation are much greater than in the United States despite the rigid controls which the governments have been able to exert on the economy.

### Annual Report to Employees

General American Life has found that its first annual report to employees has been greeted enthusiastically by the workers. The 18-page document recapitulates improvements in working conditions, salaries and internal operations effected for employees during 1951. General American breaks down the information into the categories of home office equipment, physical properties, salaries, insurance benefits, promotion from within, education and orientation programs, relations with supervisors, gripe boxes, advisory committees and miscellaneous matters.

### Effect of "Chronic" Inflation

Professor Jacob Viner of Princeton in a series of public lectures on inflation at Northwestern University supplemented his warnings about "chronic" inflation by describing the condition of the life insurance business in Brazil. In that country, where Dr. Viner has spent considerable time, currency has depreciated 5% to 6% per annum for many years and Brazilians have come to expect it to continue to behave in this manner. Brazilian life insurance salesmen have grown apologetic. The kind of financial security offered by life insurance loses out on all sides to the necessity for Brazilians to invest in more tangible

forms of property to offset steady currency depreciation.

### Economics Transcends Strikes

Discussing the recent Prudential industrial agents' strike, President Carrol M. Shanks of Prudential uttered some pertinent comments. He said that everyone has the right to strike and everyone has the right to defend the rights of policyholders and non-striking employees but in the final analysis what people are going to make and how much they are going to take home depends on production and nothing can be done to change that situation.

The Prudential is great, he said, but neither Prudential nor any other company nor all of them together are strong enough so that they can do other than pay off on production. Anything else, he observed, will cause business to go elsewhere or will in other ways result in a completely unworkable situation. But with the field force given every possible help through research, training, and the like, production can pay off in a big way.

Mr. Shanks made these observations at the dinner honoring the Charles W. Campbell agency at Newark for its 1951 leadership of the company with more than \$30 million of new business.

### Station Wagon Direct Mail

A photograph in "The Firing Line," weekly newspaper of the Lamar Life, shows that District Manager E. W. Crowley really believes in advertising. He is pictured next to his new station wagon on which is written in large letters, his name, his title, his address, the name of Lamar Life and the motto "Insure Your Future."

Senator Everett M. Dirksen of Illinois is scheduled to speak to Pittsburgh Life Insurance & Trust Council on March 24.

American Reserve Life has designated **G. E. Van Patten**, general agent at Kansas City, company Man of the Year for 1951.

**J. Edward Lawler**, vice-president of Union Life of Richmond, spoke at a meeting of the Sphinx Club there on "World Brotherhood."

Guarantee Mutual Life has increased its non-medical limits to \$7,500.



## PENSION ENDOWMENTS

One of the more attractive and salable contracts on today's market is our Pension Endowment.

\$10 monthly income (120 months guaranteed). Issued to mature at 55, 60 and 65.

At maturity age 65, the annual income is 7.9% of the cash value. The dollar-rate monthly income is \$6.58 per \$1,000.

Increased insurance available through Family Income Riders.

Brokerage Inquiries Invited

## LIFE Insurance Company of VIRGINIA

Established 1871  
Richmond, Va.  
Robert E. Henley, President

# CENTRAL STANDARD LIFE *Founded 1905* INSURANCE COMPANY

211 W. Wacker Drive

Chicago 6

All forms of Life • Accident & Health

ALFRED MACARTHUR  
Chairman of the Board

E. H. HENNING  
Vice-Chairman

WILBUR M. JOHNSON  
President

## LIFE AGENCY CHANGES

### Travelers Sends Niles to Halifax, Pattee to Detroit

Travelers has promoted W. Wesley Niles, assistant manager at Toronto, to manager at Halifax, N. S., and transferred Walter E. Pattee, manager at Rochester, N. Y., to Detroit.



Walter E. Pattee



W. Wesley Niles

Mr. Niles has been with the company since 1947, and assistant manager at Toronto since 1950. Mr. Pattee joined

the company at Newark in 1936, and became assistant manager there in 1940. He was appointed manager at Rochester in 1947.

### Davis, Crouse, Cook N. Y. Life Group Appointees

New York Life has appointed Don R. Davis district group supervisor at Cleveland, named Donald L. Crouse group representative at New Orleans, and added Dwain F. Cook to the group staff at Chicago.

Mr. Davis has had over three years in the group field with Aetna Life at Detroit and Flint, Mich. He joined New York Life at Chicago. Mr. Crouse has been in the business since 1929, and a group specialist since 1944. He was formerly regional group manager for Lincoln National Life at Philadelphia. Mr. Cook entered the business last year at Chicago.

Maryland Life has appointed Marion L. Hensley general agent at Reidsville, N. C., to succeed M. D. Holderby, who will return to personal production.

### Postal Life Appoints Cahir White Plains General Agent

Postal Life of New York has appointed Francis J. Cahir, Jr., general agent for the company's new agency in the Northcourt building, White Plains, N. Y. Before entering the business with Phoenix Mutual Life in 1945, Mr. Cahir was a member of a New York City investment banking firm. While with Phoenix Mutual, he was a member of the President's Field Staff, top company production club. He is a graduate of Fordham university.



F. J. Cahir, Jr.

### Mutual Life Sends Boothby to Brooklyn as Kee Retires

Mutual Life has appointed Foster S. Boothby manager at Brooklyn to succeed William H. Kee, who will retire March 16.

Mr. Boothby joined the company in 1936 at Boston, and became assistant manager there in 1947. In 1950, he was transferred to the home office as a member of the training staff. Mr. Kee has been with the company since 1923, and manager at Brooklyn since 1934.



Foster Boothby

### Reker Goes With Johnson

Frank A. Reker has been named brokerage manager of the Johnson agency of National Life of Vermont at Chicago. Mr. Reker has been with the Florian agency of Connecticut Mutual Life at Chicago as supervisor. He entered the business with Connecticut Mutual at Chicago in 1949 and later that same year became brokerage manager. He was appointed supervisor in 1950.

### Bean Fills Crary's Shoes

Northwestern National Life has appointed Ray E. Bean supervisor at Kansas City to succeed Vincent W. Crary, who will join the agency staff at the home office. Mr. Bean joined the company two years ago, and Mr. Crary has been with the company since 1937.

### Berkshire Transfers Merin

Berkshire Life has transferred Arthur J. Merin, supervisor at New York City, to Albany. Mr. Merin joined the company at Albany in 1947, and became supervisor at New York City in 1950.

### Prudential Ups Facciani

Prudential has promoted Rudolph Facciani, district agent at Lindsay, Cal., to staff manager at Glendale. Mr. Facciani joined the company at Visalia, Cal., in 1950, and transferred to Lindsay the following year.

### New Lafayette Appointments

Lafayette Life has appointed Norbert Minick general agent at Fort Wayne, Ind., replacing D. L. Mood, who has become home office general agent. Paul Craig, former teacher at New Haven high school, is now associate general agent at Fort Wayne.

### J. C. Gerondale Promoted

The Garot-Christman agency, Green Bay, Wis., general agent for Security Mutual Life of Binghamton, has promoted James C. Gerondale from district

supervisor to assistant to the general agents. He will supervise agencies at Wausau, Eau Claire, La Crosse, Madison, Wis., and Escanaba, Mich. He was formerly supervisor at Eau Claire, where a district office has been opened with Sidney Felts as supervisor.

### Asher Named at Frankfort, Ky.

J. T. Asher has been named manager of the new Frankfort, Ky., district of Lincoln Income Life. He has been with the company for eight years as an agent and as assistant manager at Danville, Ky.



Liberal Commissions

Organization Allowance

Office Allowance

Persistency Bonuses

H. O. Training Schools

Production Club Conventions

Regional Meetings

Prize Winning Sales Aids

A General Agency Company



WRITE H. S. McCONACHIE, Vice Pres.

AMERICAN MUTUAL LIFE INSURANCE COMPANY  
DES MOINES 7, IOWA

## ARE TERM CRAZY AND COMMISSION POOR?

If you are running the losing race of trying to increase your Term Sales to keep your income abreast of the inflationary spiral, then Mister you had better write Pacific National and find out a good solution to your "grave digging" problem.

Pacific National has a new flexible investment contract that will put air in your lungs, money in your pockets and a smile on your face.

WRITE Kenneth W. Cring, Vice President and Superintendent of Agencies; he has some fine G. A. openings for the right men.

PACIFIC NATIONAL LIFE ASSURANCE CO.

SALT LAKE CITY, UTAH

Ray H. Peterson, President

## Yardstick For Term

HOW LONG should a Term policy renew? How late convert?

We believe that Term insurance is best which renews longest and converts latest.

Term insurance as today's option on tomorrow's permanent insurance is like a property lease with option to buy. The option should renew IF the buyer needs and convert WHEN he is able. Ours do both.

Occidental short Term plans renew as often as necessary—to policy anniversary nearest 64 and convert at any time—to anniversary nearest 65. Thus is solved the problem of whether the buyer will need to renew and when he will be able to convert.

A Star in the West...☆



OCCIDENTAL LIFE INSURANCE COMPANY OF CALIFORNIA

W. B. STANNARD, Vice President

"WE PAY AGENTS LIFETIME RENEWALS...THEY LAST AS LONG AS YOU DO"

Life of  
Liam R.  
to vice  
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## AMONG COMPANY MEN

### Life of Virginia Executives Move Up

Life of Virginia has promoted William R. Shands from general counsel to vice-president and general counsel and H. E. Peterson from assistant vice-president to vice-president. William A. Knight, J. Turner Henley, and R. Turner Arrington have been advanced from assistant secretaries to assistant vice-presidents.



W. R. Shands

Gene C. Moore has been raised from assistant actuary to associate actuary; R. Meade Christian from assistant manager in the mortgage loan division to assistant secretary; Harley W. Duane, Jr., to assistant secretary; Thomas W. Evans from manager of the group division to assistant secretary, and John B. Siegel, Jr., from assistant manager of the bond division to assistant secretary.

#### Shands Heads Counsel Association

Robert T. Marsh, Jr., president of the First & Merchants National Bank of Richmond, was elected a director to succeed the late H. Hiter Harris.

Mr. Shands began his legal career with the securities division of the Virginia corporation commission and then was with the state division of statutory research and drafting. He began with Life of Virginia in 1940 as counsel, was named general counsel in 1943 and a director in 1946. He is currently president of Assn. of Life Insurance Counsel.

### Cobb Heads Prudential's Organization Division

Prudential has promoted Raymond W. Cobb, director of organization and methods, to executive director of that department. Mr. Cobb joined the company in the actuarial department in 1932, and after transferring to the supervisors department, he became assistant manager, and later manager, of the industrial commission department. In 1940, he was appointed assistant supervisor of methods, and in 1947, he was named director of organization and methods.

### Prudential Advances Three at Western Home Office

Charles W. Lauve has been promoted to investment manager of the bond department of the western home office of Prudential. John K. Selden becomes investment analyst and James M. Thayer, Jr., associate investment analyst.

Mr. Lauve attended University of Alabama and Harvard school of business administration. He joined Prudential in 1933 as mortgage loan inspector at Birmingham, Ala., and was named assistant manager at Los Angeles in 1937. He became assistant general manager of the western home office bond department in 1950.

Mr. Selden attended Princeton and went with Prudential in 1946 at the Newark home office. He transferred to Los Angeles in 1948 when the western home office was established. Mr. Thayer was born in Wisconsin, graduated from U.C.L.A., joined Prudential at Newark in 1948, and transferred to Los Angeles later that year.

### Appointed Agency Secretary

Great American Reserve has named Wilburn L. Page director of public relations and agency secretary. Mr. Page

was formerly an account executive in public relations and advertising with a Dallas advertising firm.

### Guarantee Mutual Board Chief Retires, Raise Others

R. E. Langdon has retired as chairman of Guarantee Mutual Life of Omaha. Mr. Langdon has been with the company for 42 years and has retired under the retirement plan. Dr. J. P. Donelan, who has been medical director since 1940, was advanced to vice-president and medical director. J. D. Cranny, Omaha attorney, has been named to the board to succeed Mr. Langdon.

The following were promoted to the positions shown: R. H. Christoffersen, manager premium accounting; E. A. Fitch, superintendent of claims; F. C. Heidemann, chief accountant; D. G. Hinkle, field supervisor; H. A. Munson, assistant underwriting secretary; N. G. Rydberg, assistant supervisor commission section; L. F. Semrad, supervisor commission section; G. M. Stanley, underwriting secretary; G. F. Sterns, assistant superintendent of agencies; F. R.

Stranglen, tabulating supervisor; P. G. Taulborg, assistant supervisor commission section; Ethel Weber, supervisor disbursements.

### Business Men's Assurance Appoints Lobb, Griffiths

Business Men's Assurance has appointed William L. Lobb assistant treasurer, and Robert T. Griffiths edi-



William L. Lobb



Robert T. Griffiths

tor of the B.M.A. Bulletin. Mr. Lobb has been in the investment department since joining the company in 1948. He is a graduate of the University of Kansas. Mr. Griffiths joined the company

in 1946 and has been assistant to Jack R. Morris, director of public relations.

### Maryland Life Raises Biven

Maryland Life has promoted Chester O. Biven to director of agencies, and appointed Edwin V. Kapp to succeed him as general agent at the home office.

### Wharf Group Secretary

North American L. & C. has named James E. Wharf group secretary. He has been with the company for 19 years and has been assistant group secretary for eight years. Before specializing in group administration and underwriting Mr. Wharf engaged in actuarial and estate analysis and programming.

### C. W. Faulkner Agency Chief

C. W. Faulkner, former Kansas City manager, has been elected superintendent of agencies of Woodmen Accident and Woodmen Central Life. He is a cousin of President E. J. Faulkner.

### West, Wirth Advanced

Robert H. West, secretary-treasurer since 1937 of Kentucky Central Life & Accident and with the company since 1920, has been made executive vice-president, a newly created office, and

## YOU NEED NOT RISK LOST SALES

There is one trouble with preferred risk policies  
Applicants unable to qualify as preferred too often regard themselves as penalized when offered standard.

Result? Sales lost.  
Not taken policies.

Our Modified Life 3...  
offering every attraction of low net cost... is written standard and sub-standard to 600% of mortality.



It covers the market

**Continental  
Assurance Company**

310 S. Michigan Ave., Chicago 4

ORDINARY • GROUP • GROUP PERMANENT

... and avoids the disadvantages of the fine line between "preferred" and "standard."



Associates:  
Continental Casualty  
Company  
Transportation Insurance  
Company

**P.S.** Term for diabetics... something new...  
is available through Continental.

will continue to be secretary. Karl F. Wirth, who has been assistant treasurer for 10 years becomes treasurer. He has been with the company 21 years.

Mr. West has served as district manager, agency supervisor for Kentucky, vice-president and director.

## Travelers Appoints Three Secretaries

Travelers has appointed Carroll J. McBride and Robert J. Sullivan secretaries of the accident department, and Leroy F. Arvidson assistant agency secretary.

Mr. McBride joined the company at St. Louis in 1931 as a claims investigator. He was later transferred to the home office as claims examiner in the life, accident and group department. He then became a supervising adjuster at New York City before his appointment as assistant secretary in



Robert J. Sullivan

1948.

Mr. Sullivan, who also became an assistant secretary in 1948, has been with the company since 1930. He was



C. J. McGuire



L. F. Arvidson

formerly assistant office manager at Hartford, New York City, Albany, Charlotte, N. C., and Detroit. In 1946, he was named underwriter in the accident department at the home office.

Mr. Arvidson started with the company as a field supervisor at Peoria in 1935, and became assistant manager there in 1939. He was made manager at Dayton in 1944, and sent to the home office as agency assistant in 1949. The following year, he was appointed assistant superintendent of training.

## LIFE MANAGERS

### Find Out What Prospective Agent Wants to Know: Day

How to do an effective job in presenting life insurance as a vocation to the prospective agent was discussed by Newell C. Day, Equitable Life of Iowa, Davenport, in addressing Life Managers & General Agents Assn. of Milwaukee.

"Different personalities are motivated by different ideas," Mr. Day said. "Instead of our telling the prospective agent what we want to tell him, why not find out what he wants to know by asking him certain questions? During 30 years in the business I have found that certain questions are in his mind, either quite pronounced or possibly, in some instances, submerged. These questions cover the market, the sales story, work necessary, training, coaching, aptitude, income possibilities, opportunities, security and connection with a particular agency."

"Instead of discussing those questions in their order, let's find out which question or questions loom largest in the prospective agent's mind. His particular interest may well reveal his character and thinking."

To dramatize a recruiting interview, Mr. Day uses a tape recording, when the prospect's wife is present, of what a successful agent's wife thinks about the business. A series of third dimension "stereo-realist" pictures showing an agency group sales meeting, some banquet pictures, and some individual pictures of agents and their families in their homes are also used.

"Many of us could retire today on the money and effort we have invested unwisely in men who should not have entered the business in the first place," Mr. Day observed. "The reward or penalty of selection comes later. Pick out the type of man you want who will fit in your agency. Your ultimate goal is a satisfied policyowner clientele built by competent and enthusiastic salesmen who can fulfill your philosophy of the business."

### Mehr to Speak at Columbus

Prof. Robert I. Mehr of University of Illinois will address Columbus, O., managers March 14 on "Training Tools for Management."

### Hear Social Security Man

Austin, Tex., cashiers heard James B. Marley, manager of the social security office there, trace the developments of social security benefits. He showed how age requirements leave gaps which require the service of life insurance if the worker would have his family receive the benefits which he plans for them to receive.

Archibald E. Crow, Texas Life, reviewed the chapter on salesmanship of the book on management methods by Hugh S. Bell at the March meeting of the Fort Worth managers.

### Extend Mich. Reorganization

Following the designation of J. W. Wickstrom as supervisor of life and A. & H. insurance in the reorganization program of the Michigan department, John Hurth has been named A. & H. assistant to Mr. Wickstrom. A life assistant will be named "as soon as possible," Commissioner Navarre states.

Mr. Wickstrom also has been made second deputy commissioner. H. B. Thompson, former director of the life and fraternal division, is now chief deputy commissioner.

### Leading Prudential Agencies

The Prudential presidential citation for outstanding sales accomplishment during 1951 will be presented to the following ordinary agencies: Campbell, Newark; Laney, Charlotte, Tally,

Columbia, S. C.; Klingbeil, Detroit; Guerber, Grand Rapids; Wilkins, Hartford; Boogar, Jamaica, L. I.; Cohen, Lowell, Mass.; Rice, Philadelphia; Baker, Kansas City; McCelvey, Fort Worth; White, Los Angeles; Gallagher, Spokane; Ziglar, Pasadena, and Engle, Sacramento.

### Pacific National Appointees

Pacific National Life has appointed Dr. George A. Peck assistant medical director; John W. Lowe to the executive committee, and Gordon C. Holt to the board.



Figure you have "Served your Apprenticeship"?

If you are a good producer we have a most unusual proposition for you with an up-and-coming company in small and medium-size cities in Indiana, Ohio, Iowa, Kentucky, Missouri, Arkansas and Mississippi.

### A Complete Line of:

- LIFE
- Accident
- Sickness
- Hospitalization

All replies confidential. Write to:

J. DeWITT MILLS,  
Superintendent of Agents

**MUTUAL SAVINGS**  
*Life Insurance Company*

812 Olive St. — Arcade Bldg. St. Louis 1, Mo.

a BIG step in the right direction . . .

**\$114,704,820**

Life Insurance in Force December 31, 1951

is the foundation upon which we are now building

build your future with this progressive company

**MISSOURI INSURANCE COMPANY**  
Home Office St. Louis, Missouri

All forms of Ordinary Life, Weekly Premium Life, Hospitalization, Health and Accident, and Credit Life Insurance.

Established 1907

## Fifty-Seventh Year of Dependable Service

★ The State Life Insurance Company has paid \$173,000,000 to Policyowners and Beneficiaries since organization September 5, 1894 . . . The Company also holds over \$76,000,000 in Assets for their benefit . . . Policies in force number 102,000 and Insurance in force is over \$211,000,000 . . . The State Life offers splendid opportunities — with liberal contract, and up-to-date training and service facilities — for those qualified.

★ ★ ★

**THE STATE LIFE INSURANCE COMPANY**  
Indianapolis, Indiana

MUTUAL LEGAL RESERVE FOUNDED 1894

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## ACCIDENT AND HEALTH

### Set Dates for L.I.A.M.A. Spring A. & H. Meeting

Accident and health writing member companies of Life Insurance Agency Management Assn. will have their spring meeting April 7-9 at the Drake Hotel, Chicago. Almost 80 L.I.A.M.A. companies now write A. & H., and other interested companies have also been invited to attend the spring meeting.

There will be five working sessions with formal speeches held to a minimum and emphasis placed on the panel-open forum discussion. The program will include presentations of training plans, new sales ideas, and reports on management problems confronting the agency officer. The conferences will concentrate on the combined agency operation where life, accident and health are sold.

Frank Vesser, General American Life, heads the program committee.

### Set Conn. UCD Hearing, Mass. Bill Advances

A public hearing has been scheduled for March 10 at Hartford by the Connecticut legislature's special commission on non-occupational disability compensation. Proposals on compensation plans will be heard. They will be considered in studies with labor, management and insurance groups. The committee is to report to the 1953 legislature.

The Massachusetts legislative committee on labor and industry has approved a monopolistic state fund bill for non-occupational disability compensation which has the backing of labor unions. It is believed that the bill faces almost certain defeat in the house. Union lobbyists are continuing their "no compromise" attitude which led to defeat of the proposal in the house for the past three years.

### Disability Sales Course to Be Given at Wichita

A disability insurance sales course will be given March 24-26 at Wichita, sponsored by Kansas Assn. of A. & H. Underwriters in cooperation with the University of Kansas extension division. Moderator will be Bert A. Hedges, Business Men's Assurance, zone chairman of the International association. Speakers and discussion leaders will include: Garland Scott, education director, and Maynard Willis, agency director, Farmers & Bankers Life; Deane Myer, Smith-Stone-Snyder, Wichita; Edgar Howe, agency supervisor, Mutual Benefit H. & A.; Robert J. Ewing, assistant field supervisor claims department Mutual Benefit H. & A.; Don Compton, president Pyramid Life; C. M. Barricklow, assistant to vice-president Business Men's Assurance; E. L. Mack, general agent, Provident Life & Accident; L. H. Kaufman, general agent, Central Standard Life; Robert Dulley, group manager, Aetna Life, and Fred Sharpe, University of Kansas salesmanship lecturer.

### Disability Income Profits

A profit in 1951 business even after setting up additional voluntary reserves was reported at the annual meeting of the Disability Income Insurance Co., Indianapolis, by Richard Calkins, president.

The company, formed several years ago to take the disability income business of life agents in Indiana, numbers several prominent life men in the state on its board of directors. It writes only non-can A. & H.

Calkins also announced that the winner of the production trophy for the year was H. J. Peirce, Massachusetts Mutual, Indianapolis, immediate past

president of the Indiana Association of Life Underwriters.

Reelected to the board at the meeting were Oren Pritchard, manager Union Central Life, Indianapolis, current president of the Indianapolis managers and national committeeman from Indiana; Dr. Harold C. Ochsner; and Laurence H. Earle, president of the Indianapolis board of trade.

Profit before additions to reserves amounted to 3% on stockholders' money.

### Peterson Goes to Seattle

The Woodmen Central companies have named Burton E. Peterson manager for western Washington at Seattle. He succeeds C. Les Adams who held the post for six months. Mr. Peterson started with the companies in 1945 and was with the Minneapolis agency for two years. He became a field representative for the northern territory in 1947 at Minneapolis and has been engaged in recruiting and training activity. He is the son of Nels J. Peterson of Little Falls, Minn., district manager for the companies.

### Incontestable Rider Doesn't Protect Age Falsification

An age adjustment provision in a life policy is not affected by an incontestable clause, California supreme court has ruled in *New York Life vs. Hollender*, CCH 14 (Life, Health & Accident) 141. The matter of insured's correct age would be open to investigation during the life of the policy, the court held, and if a mis-statement as to age is discovered it would not void the policy, but any amount payable under it would be adjusted at the true age.

Insured contended that insurer's attempt to reduce the face amount of the policy constituted a contest of the policy after the time limitation on it had expired and, therefore, the company was precluded from inquiry into the correctness of insured's statement of age. Insurer's view was that it did not contest the provisions of the policy, but only sought to confine its liability within the express policy terms.

Los Angeles Accident-Health Underwriters Assn., following the appointment of a nominating committee to report at the March meeting, devoted its session to discussion of underwriting problems.

## RECORDS

**Pacific Mutual** has reported across the board gains in new business for the month ending February 15 of 20% in life and 25% in A. & H. Number of applications has increased in about the same proportion in both departments over business for the same period last year.

Paid business for **Bankers Life of Iowa** for January totaled \$16,508,125, an increase of 33% over January of last year. Ordinary sales were up \$2,261,102, and group sales increased \$3,006,982 for the month. Insurance in force at Jan. 31, was \$1,687,031,071.

Since its incorporation in 1948, **American Investors Life** has increased its insurance in force to \$20 million through Jan. 31, 1952.

### New Hartford City Plan

About 3,000 employees at Hartford will benefit from a new group life plan which goes into effect April 1. It will be underwritten jointly by Aetna Life, Connecticut General and Travelers.

The present group life plan for municipal employees gives them \$1,000 of insurance for 70 cents a month. Under the new plan they will pay 10 cents less per \$1,000 and will be allowed to carry up to \$5,000, depending on earnings. The city's contribution will be increased from \$19,000 to \$39,000.

# Strength



... is a predominant characteristic of our company. Strength — "Enduring as Rushmore" — is back of you when you join the outstanding field force of National Reserve Life.

We are now embarking upon a tremendous expansion program which offers real opportunity to you ... for a profitable career.

Our tested, proved sales training methods, plus the full cooperation of our strategically placed Regional Home Offices — are additional assurances of success for you! Write today!



## NATIONAL RESERVE LIFE INSURANCE COMPANY

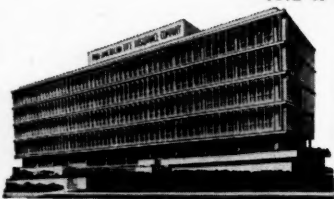
TOPEKA • • • SIOUX FALLS

Operating in one of the greatest new wealth producing areas in the United States ... Where the spirit of the pioneer still prevails



## Four Decades of Progress

1912 to 1952



1. An all time high in new sales, \$116,000,000 in 1951 (Includes re-instatements and revivals)
2. Half a billion dollars of insurance in force
3. Complete mutualization
4. The completion and occupancy of our new \$3,000,000 Home Office building.

### There's A Reason

WE HAVE:

- A. A WELL-TRAINED SALES ORGANIZATION
- B. ARMED WITH EXCELLENT SALES TOOLS and
- C. A LIBERAL COMPENSATION PLAN . . . PLUS

1. Free Hospitalization
2. Group Insurance up to \$6,000
3. A Non-Contributory Pension Plan
4. Disability Benefits

The progress of Pan-American Life Insurance Company is measured by the ability and success of its agency organization.

Our 238 Junior and Senior Dynamo Club Members averaged over \$350,000 of Ordinary Life business during 1951

CRAWFORD H. ELLIS  
President

EDWARD G. SIMMONS  
Executive Vice-President

KENNETH D. HAMER  
Vice-President & Agency Director



For Information Address  
CHARLES J. MESMAN  
Superintendent of Agencies

PAN-AMERICAN  
LIFE INSURANCE CO.  
NEW ORLEANS, U. S. A.

## More than ever... YOUR CLIENTS DESERVE THE BEST



Complete Coverages in—

- LIFE INSURANCE
- ENDOWMENTS
- ANNUITIES
- COMBINATIONS  
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## Profit Sharing Amendment Made by Wage Board

WASHINGTON—Wage stabilization board has amended section 3 of general wage regulation 21 which deals with profit-sharing plans of the deferred compensation type.

Chairman Feinsinger said there is nothing unstabilizing in the amendment since the requirement that normal retirement and permanent and total disability benefits be paid over at least a 10-year period guards against "possible abuse."

Feinsinger said the amendment (1) removes the former requirement, with respect to normal retirement at or after 65 or retirement due to permanent and total disability, of 10 years participation in the plan, and (2) with respect to benefits payable upon severance, it retains both the requirement that payments cannot begin until at least 10 years after an employee's admission to the plan and the additional requirement that payments must be made over at least 10 years.

The requirement of prior approval by the internal revenue bureau is retained with respect to all kinds of benefits covered by section 3.

Feinsinger said WSB amended section 3 because "investigation showed that the requirement of 10 years' participation in the plan was too stringent when applied to normal retirement and permanent and total disability benefits."

If this requirement had been retained, Feinsinger added, most profit-sharing plans of the deferred compensation type could not be put into effect under self-administering provisions of regulation 21, but would have to be submitted to the board in the form of a petition.

Text of amended section 3 of the regulation follows:

"Parties may, subject to the reporting and waiting-period provisions of section 5, below, put into effect new or amended profit-sharing plans, approved by the bureau of internal revenue under pertinent regulations, which provide for the payment of benefits, derived from employer contributions, upon retirement for reasons of age at or after age 65, or upon retirement due to permanent and total disability, where such payments are payable over at least a 10-year period. A plan may also provide for benefits payable upon severance provided that (1) payments under such plan do not begin until at least 10 years after an employee's admission to the plan, and (2) payments are payable over at least a 10-year period. No immediate benefit derived from employer contributions may be provided in the form of a lump sum cash or loan value except in the event of the employee's death."

## To Hold Tax Institute at Pa. State College May 18-22

How to use the decisions and legislation of the past 12 months in everyday tax practice will be featured at the institute on taxation at Pennsylvania State College May 18-22.

The topics to be covered will include: How to select the best form to operate a business today; tax planning under the excess profits tax; how to use the new capital gain provisions; how to use modern tools in estate planning; how to use the new decisions in planning and preparation of returns for decedents, trusts and estates; how to plan for executives' compensation and how to use life insurance in connection with a business.

The session is sponsored by Pennsylvania Tax Institute which includes representatives of Temple University, University of Pittsburgh, University of Pennsylvania, Pennsylvania State College, Pennsylvania Bankers Assn., Pennsylvania Chamber of Commerce,

Pennsylvania Assn of Life Underwriters and Pennsylvania Bar Assn.

## Pay \$406,000 in Accident Benefits on Three Air Crashes at Elizabeth, N. J.

Member companies of bureau of A. & H. underwriters have paid \$406,000 in accident insurance benefits to beneficiaries of persons killed in the three airline crashes at Elizabeth, N. J., Dec. 16, Jan. 22 and Feb. 11.

The payments were under policies of accident insurance held by persons lost in the crashes, and do not include amounts paid to beneficiaries of crash victims under life insurance policies or amounts paid by insurers for other insured losses resulting from the crashes.

Since the war, the air travel exclusion has been eliminated from nearly all accident policies. The liberalization of coverage, which was not accompanied by a premium increase, has resulted in payment of \$820,000 for disability and accidental death benefits which otherwise would not have been paid, the bureau states. The principal amounts, as broken down, are \$371,000 for accidents resulting from scheduled airline flights; \$199,000 for accidents resulting from private flights, \$148,000 for accidents resulting from scheduled over-water flights.

## L.U.T.C. Elects Orville Beal as Its President

Life Underwriter Training Council has elected Orville E. Beal, vice-president of Prudential, as president, and Chauncey D. Cowles, Jr., Northwestern Mutual Life Buffalo, vice-president to succeed Mr. Beal. Mr. Cowles has been a trustee.

New trustees are O. Kelley Anderson, president of New England Mutual Life, and Richard N. Lewis, manager for Great National Life at Austin, Tex.

## Coffin's Talk Published

A collection of articles and talks by Vincent B. Coffin, senior vice-president of Connecticut Mutual, has recently been published by his company to honor Mr. Coffin on his 20th anniversary with the organization.

The field force sponsored a special tribute to Mr. Coffin last fall and wrote a record-breaking volume of \$39,104,632 of life insurance during that month. More than 500 agents participated in the campaign and each one has received a copy of this book.

The 128-page volume contains 17 articles which have appeared in various insurance publications in the past 20 years. It has Mr. Coffin's facsimile signature in silver embossed on the front cover.

United Bankers Life has named George F. Heath, Dallas attorney, director of claims.

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"Say it" on Fox River cotton-fiber paper, and it will always be there! Cotton-fiber assures permanence for policies, special settlements, office forms, all vital correspondence. Hardest handling hardly shows. Stays white for years . . . has that currency-feel that makes an impression of stability. Ask your printer for bond, onion skin, or ledger samples . . . or write FOX RIVER PAPER CORP., Appleton, Wisconsin. Makers of fine papers since 1883.

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# Sales Ideas and Suggestions

## R. O. BICKEL'S IDEA

### Cigar in Plastic Tube Carries Novel Greetings

If a man sends you a cigar, you can hardly do less than give heed to the message that's wrapped around it, can you?

Robert O. Bickel, National Life of Vermont, Cedar Rapids, sends out cigars in transparent plastic tubes to prospects and clients and he finds it pays big dividends. It's proved good business in another way, too. His daughter, Mrs. Jocelyn Bickel Fehrenkrog, sells the tubes and cigars and has built up quite a substantial business among life insurance men.



R. O. Bickel

#### Cigar Sold \$30,000 Case

Just recently Mr. Bickel sold a \$30,000 case that he credits to his novel mailing piece. On that occasion the cigar had around it a long strip of paper on which Mr. Bickel had written: "Bill, when we were talking yesterday about your program, I wanted to say, 'Come on, fellow, let's go over to see the M.D. and quit thinking about all the reasons why you can't afford to let go of a little dough right now.'"

"Think these things over: (1) You are not insured for five times your annual income, and that is a minimum in your case. (2) You have a great future and your value to your family should be underwritten. (3) In this business we often see cases where even a week's time makes a difference in insurability."

Mr. Bickel has evolved numerous ideas for using the cigar novelty. His daughter, incidentally, supplies these in mimeographed form to her customers for their own use or adaptation.

#### Sent to New Father

One of the most effective ways is to send a cigar to a new father. The man who has just passed out a large number of cigars to his friends gets quite a kick out of receiving a cigar for himself enclosed in a transparent mailing tube with an appropriate message on the back of a business card. He may use this jingle wrapped around the cigar:

"Congratulations, John Doe  
May be it isn't being done  
But I am sending the cigar to you,  
Feeling you'll sure need one  
After what you've been through."

Or this:  
"Congratulations, Joe Brown  
Since I know what you've been through  
My friend, I'm sending a cigar to you  
Congratulations, and best wishes to all three"

You, your wife and the twig on the family tree."

Though the cigar motif ties in with the birth of a baby, it need not by any means be confined to such occasions.

#### Distinctive Felicitation

Where a prospect or client has received a promotion, the novelty of the cigar idea makes it stand out among other congratulatory messages.

Where it's a birthday, the message may read, "Birthday greetings. Time marches on! Have a cigar on me to celebrate. Lots of good wishes on your birthday. Jan. 15 is a big day in your life—congratulations!"

Where it is a birthday greeting to a

child a stick of candy may be substituted for the cigar or perhaps an automatic pencil.

Rhymes are not necessary and the cigar idea can be adapted to almost any type of prospect to provide the unusual touch that insures, nearly every time, a better reception for the message than could be had without it.

#### New Detroit Address

The address of The National Underwriter Co. office at Detroit has been changed to 1102 LaFayette building. The telephone number is Woodward 1-2344. A. J. Edwards is the resident manager in Detroit.

## Letters Merit the Attention of Agents

Some "do's" and some "don'ts" in life insurance letter writing were offered by Mildred F. Stone, director of the policy owners services bureau of Mutual Benefit Life, in a talk before the New York City Life Underwriters Assn.

Since every letter sent out costs around \$1, she said that letters are worthy of attention. Basically, she observed, the impression clients get of an agent may depend on how his letter looks and what he says in it. She urged making letters easy to read and easy to understand. Don't try to confuse the prospect or policyholders, she advised. Make him feel comfortable. Don't try to put him in an inferior position. That is what is done when a life insurance person uses the complex jargon of the industry that outsiders cannot and need not understand. Try to have your letters make

the prospect feel that he would like to talk with you, she counseled.

She suggested writing short sentences, no more than 17 words, and that these words be short, non-technical, talk words.

Although lawyers and doctors may use big words, and some people think that this is good for their prestige, she said that an agent's objective is to make a sale, not particularly to build prestige. He can't do that if the prospect gets the idea that he has been following a dictionary while dictating the letter.

As an alternative to "paid up policy" she suggested using the phrase "policy on which no more premiums are to be paid," to use "when due" instead of "mature" or "please sign this paper" not "execute this instrument" or "I'll try to find out" instead of "I'll endeavor to ascertain."

Better letters use plenty of people in their texts including names, personal pronouns, and so forth.

She also likes them to be neat and



## FORTY-FIFTH ANNUAL STATEMENT December 31, 1951

Condensed from Report filed with Indiana Department of Insurance

### ASSETS

United States Government Bonds .....	\$ 1,878,161.44
Corporate, Public Utility and Other Bonds .....	12,107,460.88
<b>Total Bonds .....</b>	<b>\$13,985,622.32</b>
First Mortgage Loans on Real Estate .....	8,327,796.58
Loans on Company's Policies .....	1,350,419.37
Stocks—Preferred and Common .....	70,906.00
Cash in Banks .....	786,782.40
Net Outstanding Premiums .....	381,624.63
Real Estate, Including Home Office Building .....	63,991.84
Interest Due and Accrued .....	152,797.49
<b>Total Admitted Assets .....</b>	<b>\$25,119,940.63</b>

### LIABILITIES

Reserve on Policies .....	\$20,124,041.35
Reserve for Reduction in Interest Assumption .....	1,250,000.00
Reserve for Trust Funds .....	1,018,889.24
Reserve for Coupons and Policy Dividends .....	625,686.25
Premiums and Interest Paid in Advance .....	315,897.81
Reserve for Claims—Proofs incomplete .....	76,970.58
Reserve for Taxes .....	55,234.27
Reserve for Security Valuation .....	41,283.53
All Other Liabilities .....	61,937.60
<b>Total Liabilities .....</b>	<b>\$23,569,940.63</b>
Reserve for Contingencies .....	\$ 550,000.00
Capital Stock .....	300,000.00
Surplus Unassigned .....	700,000.00
<b>Total Surplus to Policyowners .....</b>	<b>1,550,000.00</b>
<b>Total .....</b>	<b>\$25,119,940.63</b>
<b>INSURANCE IN FORCE .....</b>	<b>\$112,063,238.00</b>

# PEOPLES LIFE INSURANCE COMPANY

"The Friendly Company"

Frankfort

Indiana

## *Sound employee relations make a good business better for your clients*

Business leaders today recognize the necessity for management not only to make a sound benefit program available for employees, but at the same time to achieve better employee understanding of the many benefits.

Connecticut General is doing extensive research on this subject, in partnership with companies it serves and in cooperation with experts in the field of communications. The resulting knowledge is being integrated with that gained in Connecticut General's 39 years of group insurance experience.

### **CONNECTICUT GENERAL LIFE INSURANCE COMPANY** HARTFORD, CONNECTICUT

LIFE • ACCIDENT • HEALTH • GROUP INSURANCE AND PENSION PLANS • PENSION TRUSTS • ANNUITIES

## **THE NORTHERN LIFE INSURANCE COMPANY**

### **Provides its Underwriters —**

- Generous First-year Commissions
- Full Renewals to the 15th Year
- Group Life-Accident-Health Protection
- A Life Income Pension Plan
- Prize-winning Sales Helps
- A FULL Sales Kit, Including Life, Accident, Health, Hospitalization, Group Life, Group A & H, Salary Savings

Managerial Openings in Newly-opened Midwestern Territory. Write Direct to Home Office; L. J. Myklebust, 940 Des Moines Bldg., Des Moines, Iowa.

## **NORTHERN LIFE INSURANCE COMPANY**

Established 1906

D. M. MORGAN, President  
Home Office: Northern Life Tower  
Seattle, Washington

**LIFE \* ACCIDENT \* HEALTH**  
Issued together at a substantial saving,  
or separately



well arranged on the paper. A finely balanced letter with attractive design has a positive psychological effect on the person who gets it. On the other hand, she said, a letter that is crowded at the bottom of the page, for example, gives the person getting it the feeling that they have been hit on the top of the head.

Modern up-to-date persons use only a few capital letters, and don't use participial closings to their letters anymore, either.

Try to get a "you" into the beginning of a letter instead of an "I." "Perhaps you can thank the person for something they have done," she said. "This gives the person a feeling of well-being in that they have done something for you."

Be neither arbitrary nor abrupt, she counselled, especially in answering some request in the negative. Be sure to use the correct name, correctly spelled, and the correct title. And, answer promptly. Another tip that she offered agents was to adopt the practice of sending the extra letters that aren't really necessary but which if they extend congratulations, sympathy, or help, are appreciated all the more because they were not essential.

### **Tells Record of Insurers' Violations fo Labor Law**

According to the U. S. Department of Labor wage and hour and public contracts divisions, 37% of the insurance establishments investigated during the past fiscal year were found to have violated the fair labor standards act's minimum wage, overtime pay or child-labor provisions.

"The 1931 record makes it clear that greater efforts on the part of some members of the insurance industry would pay off in reduced liabilities for back wages owed employees," Wm. R. McComb, the divisions' administrator, declared. His report shows that a total of \$50,294 in back wages was paid to 911 employees, as a result of the divisions' activities. This does not include amounts awarded by courts to employees who exercised their statutory right to sue for back pay and liquidated damages.

"Although most employers know that the amendment raised the minimum wage to 75 cents an hour from 40 cents, the divisions found that a sizable minority of establishments — 20% of those investigated — had failed to observe this requirement when paying some of their employees," McComb said.

#### **Short on Overtime Pay**

"More extensive were overtime pay violations, found in 28% of the investigated establishments." The amended act continues to require payment of at least time and one-half the regular rate of pay for all hours worked in excess of 40 in the workweek, except where the act specifically provides otherwise. "What the amendments did was to define the regular rate to include all remuneration for employment except certain specified payments."

Failure to comply with the child-labor provisions was disclosed in 10% of the investigated establishments, McComb noted. The child-labor requirements set a minimum age of 16 for most jobs, with 18 as the minimum for occupations designated hazardous by the Secretary of Labor. Employment of boys and girls of 14 and 15 years of age is permitted in a few types of jobs — such as office and sales work — under strict restrictions on hours and working conditions.

The violations found were not representative of the compliance record of all whose employees come within the provisions of the act. The divisions' policy is to make investigations where there is reason to believe that violations will probably be found.

#### **Unity L. & A. Plans Cruise**

Members of the president's club of Unity L. & A. will embark on a cruise to last from March 7 to March 15 that will take them to Haiti and Cuba. There will be 36 club members and their wives making the trip aboard the Holland-American liner, Nieuw Amsterdam.

### **Occidental of California Opens Series of Meetings**

Occidental of California representatives from the western United States, Canada, Hawaii, and the Philippines will open the company's four-day western regional convention on March 9 at San Francisco.

Highlight will be an address by Horace W. Brower, president. Sales plans, advertising and promotional campaigns will also be discussed. Many of the 147 delegates will receive achievement awards.

The eastern regional meeting will be held next week at Cincinnati, and on March 23, top producers from both regions will meet at White Sulphur Springs, W. Va.

## **WANT ADS**

Rates \$13 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline Tuesday morning in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER  
Life Insurance Edition

### **WOMAN LAY UNDERWRITER**

Excellent opportunity for experienced woman underwriter, under age 45, with well established midwest woman's fraternal life insurance organization.

Write in confidence giving age, previous and present employment, educational background, experience, present salary and other pertinent information.

Personal interview in Home Office at Company's expense will be arranged for selected applicants.

Address K-29, The National Underwriter,  
175 W. Jackson Blvd., Chicago 4, Illinois.

### **ASSISTANT TO NORTHWESTERN MUTUAL GENERAL AGENT**

Excellent opportunity to learn General Agency work by assisting Northwestern Mutual General Agent in midwestern city of 250,000 population in recruiting, training agents.

Salary and bonus reflecting results plus commissions on personal business.

If you have clean record with personal production of \$200,000 write complete details in confidence. No inquiries will be made before you are contacted.

Address K-48, The National Underwriter,  
175 W. Jackson Blvd., Chicago 4, Illinois.

### **UNIT MANAGER WANTED**

An 82 year old Life Insurance Company has an opening in their Chicago office. Salary \$4800 plus overtime and bonus. The applicant must have a successful sales record and experience in recruiting or management work. Address K-50, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

### **20 YEARS' EXPERIENCE AVAILABLE**

More than half in agency dept. of a north central company with 100 millions in force. Experienced in advertising, sales contests, house organ, agency conventions, contracts, financing, etc. Age 39. Good references. Desire position as supervisor or better in agency dept. of progressive company. Address K-51, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

### **AVAILABLE — FLORIDA**

Going to locate in Florida or bordering states. Have 15 years in the life insurance business in both sales and management capacities. Would like to associate with an ordinary or combination company. All previous experience with one company. Sincere, adaptable family man. Address K-52, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

### **AVAILABLE**

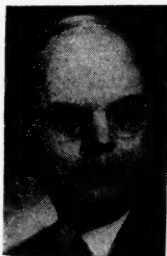
Ambitious, determined young woman BA—CPCU—with 10 years insurance experience desires a career position. Has executive and supervisory ability. \$5,200 minimum salary. Address K-55, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.



# FRATERNALS

## Mooney Heads Neb. Federation

William E. Mooney, general attorney of Woodmen of the World Life, was elected president of the Insurance Federation of Nebraska at its annual meeting at Lincoln. The federation is composed of 275 companies and agencies.



W. E. Mooney

Mr. Mooney succeeds E. J. Faulkner, Woodmen Accident, Lincoln. Other officers elected are V. J. Skutt, president Mutual Benefit H. & A., Omaha, 1st vice-president; O. D. Tromble, Standard Reliance, Lincoln, 2nd vice-president; H. J. Requarte, Farmers Mutual of Nebraska, treasurer. James L. Brown of Lincoln remains secretary-counsel.

Mr. Faulkner was appointed chairman of a committee to arrange another insurance institute to be held in November in cooperation with the University of Nebraska.

His election to the federation presidency is the fourth honor accorded Mr. Mooney in recent months. He was elected chairman of the insurance section, Nebraska State Bar Assn. in November. In September, he was chosen president of the law section, National Fraternal Congress, and prior to that was elected to the board of governors of Federation of Insurance Counsellors.

A Woodman since 1911, Mr. Mooney became a national director of the society in 1931 and later chairman of its National auditors. Prior to becoming the society's general attorney in 1945, he specialized in insurance law in Chicago. He was attorney for several Illinois legislative committees investigating problems of children, charities and juvenile courts. He also is author of several books and pamphlets on insurance and related subjects.

## Modern Woodmen Scores Gains in All Categories

Modern Woodmen reports a gain of \$5,097,672 in assets and an increase of \$7,568,950 in life insurance in force during 1951, bringing total assets to \$167,646,729 and insurance in force to \$525,076,543. New insurance issued for the year, adult and juvenile, amounted to \$41,810,430, \$8,600,000 more than the previous year.

The financial statement shows that 69.3% of assets was invested in bonds, with the next largest item as first mortgage loans, amounting to \$27,622,064, 16.5% of the total. Contingency reserves and unassigned funds amounted to \$16,377,191. Interest rate earned for the year was 4.05% as compared to 3.97% in 1950. The valuation reports shows a solvency ratio of 110.11%.

## Aid Assn. Has Wichita Meet

A meeting of the Kansas and Oklahoma agency of Aid Association for Lutherans was held at Wichita. Awards in the "gray train" contest went to E. E. Brandt, Leavenworth, for writing the largest volume; H. W. Scheibe, Wichita, for the most cases; M. A. Brott, Ellsworth, for the largest case, and C. E. Carney, Manhattan, for the smallest amount of business.

## Leeper, Medical Head, Dies

Dr. Edward Paul Leeper, 48, medical director for the Praetorians, died of a heart attack at his home in Dallas. Dr. Leeper had been with the company since 1932.

## New Direct Mail Service

A new direct mail prospect-contact service is being introduced by Pacific Mutual Life. "P. M. Direct Mail" is built around a choice of five letters, attractively prepared on special, two-color home office letterheads, carrying a vice-president's signature and utilizing the built-in reply type of combination address and return card. Each letter embodies a gift offer plus a direct bid for an invitation to explain Pacific Mutual's solution for a clearly identified protection need.

Use of the direct mail service is entirely optional, cost to the agent nominal, with the company bearing the major share of the expense. Mechanics are streamlined to save as much time as possible in the field, with handling shared between field man, general agent and home office.

The service was organized and is being developed by Douglas J. Alsbaugh, assistant sales promotion manager of Pacific Mutual.

James P. Carr has been named as manager of a branch at 45 John street of the Rosenbaum agency of Mutual Benefit Life. He had been brokerage manager for Mutual Benefit before joining the Rosenbaum agency.

## JET Program to Be Described

Michael J. Kane, vice-president in charge of research of the Training Within Industry Foundation will demonstrate the job economics training program of T.W.I. at the March 11 dinner meeting of Society of L.O.M.A. graduates in the recreation room of Mutual Benefit Life, Newark.

## L.I.A. Meeting May 28-29

Life Insurance Assn. of America will hold its spring meeting at the Homestead, Hot Springs, Va., May 28-29.

# LUTHERAN BROTHERHOOD

Legal Reserve Life Insurance for Lutherans

Carl F. Granrud, President

HOME OFFICE, 608 SECOND AVENUE SOUTH, MINNEAPOLIS 2, MINNESOTA

The Lutheran Brotherhood is composed of Lutheran Men, Women and Children owning 231,657 life insurance contracts. These people are the Lutheran Brotherhood, they own the Lutheran Brotherhood and they alone receive the profits of the Society. There are no stockholders. All Lutherans in the United States and Canada are eligible for membership.

## FINANCIAL STATEMENT AS OF DECEMBER 31, 1951

ASSETS		LIABILITIES	
First Mortgage Loans:		*Reserves on Life Contracts.....	\$42,060,194.93
City .....	( 22.87%) \$14,800,730.49	*Reserves on Annuities.....	5,403,334.57
Farm .....	( 18.80%) 12,168,941.59	*Reserves on Disability.....	178,140.30
Church .....	( 5.16%) 3,336,400.98	*Held in reserve required by statute to pay benefits to policyholders and beneficiaries.	
Mortgage Loans Insured by		Present Value of Death Claims Payable in	
U. S. Gov't:		Installments .....	1,118,008.68
Vet. Adm. ....	( 7.49%) 4,846,616.09	Claims Awaiting Proof .....	66,831.11
F. H. A. ....	( 9.12%) 5,905,004.54	Present Value of Disability Claims Payable	
Collateral Loans .....	( -11%) 73,837.02	in Installments .....	172,678.01
Bonds:		Dividends Left at Interest and Dividends Due	5,878,825.72
U. S. Gov't .....	( 9.70%) 6,275,301.79	Reserve for Undeclared Dividends.....	750,000.00
*Other Gov't, State and		Advance Premium Reserve.....	2,972,064.90
Municipal .....	( 9.10%) 5,892,278.97	Amount deposited in advance for payment	
Public Utility, Railroad and		of future premiums.	
Corporate .....	( 8.02%) 5,189,791.96	Miscellaneous Liabilities .....	654,944.86
Preferred Stocks .....	( 4.15%) 93,850.00	Total Liabilities .....	\$59,255,023.08
Policy Loans .....	( 4.51%) 2,918,786.76	Special and Contingency	
Cash .....	( 2.24%) 1,449,266.54	Reserve .....	\$ 384,142.59
Premiums Due and Deferred..	( 2.00%) 1,296,105.43	Unassigned Funds .....	5,077,896.61
Due and Accrued Interest....	( .61%) 395,666.23	Surplus to Policyholders.....	5,462,039.20
Home Office Site.....	( .00%) 1.00	Total to Balance.....	\$64,717,062.28
Other Real Estate.....	( .02%) 12,732.82		
Miscellaneous Assets .....	( .10%) 61,750.07		
Total Admitted Assets.....	(100.00%) \$64,717,062.28		

\*Bonds with a market value of \$326,468.11 are deposited with Government and State Departments as required by law.

Solvency Ratio .....Ratio 107.63%  
Interest Earned .....Net Rate 3.79%  
Actual to Expected Mortality.....Ratio 20.22%

## SUMMARY OF GROWTH AND PAYMENTS TO POLICYHOLDERS

	Ins. in Force	Admitted Assets	Surplus	Interest Earned	Death Claims	Divs. Paid
1918 .....	\$ 676,500.00	\$ 6,735.09	\$ 1,331.47	\$ 68.96	\$ 100.00	\$ .....
1920 .....	2,193,500.00	47,943.34	16,095.95	1,522.17	2,000.00	935.91
1925 .....	9,390,000.00	431,157.68	70,728.56	19,477.66	12,500.00	10,621.00
1930 .....	37,675,188.00	2,420,549.09	220,928.06	107,834.52	67,993.00	86,203.89
1935 .....	51,028,342.00	5,559,928.85	469,920.35	235,056.19	156,579.87	135,199.49
1940 .....	74,888,463.00	11,457,782.59	1,156,215.74	460,916.67	213,754.00	263,783.36
1945 .....	138,755,513.00	24,448,645.60	2,002,999.93	962,148.34	432,288.70	536,164.32
1950 .....	318,627,809.00	56,585,809.06	5,107,506.63	2,113,030.01	469,003.00	1,223,652.62
1951 .....	366,433,251.00	64,717,062.28	5,462,039.20	2,423,540.03	770,036.00	1,414,056.82

## Highlights of 1951 Statement

GAIN IN LIFE INSURANCE IN FORCE FOR 1951 .....

\$47,805,442.00

GAIN IN ASSETS FOR 1951 .....

8,131,253.22

	1951	Total Since Organization
DIVIDENDS .....	\$1,414,056.82	\$ 9,849,096.70
OTHER PAYMENTS TO POLICYHOLDERS .....	935,742.84	7,125,329.11
PAYMENTS TO BENEFICIARIES .....	770,036.00	6,200,248.45
	\$3,119,835.66	\$23,174,674.26

INSURANCE IN FORCE DEC. 31, 1951 . . . \$366,433,251.00

## Fidelity Scores High Where It Counts Most



Our leading producers have again reminded us that Fidelity Life scores high in:

- ✓ Training Program
- ✓ Field Supervisory Assistance
- ✓ Sales Aids
- ✓ Home Office Cooperation
- ✓ Claim Service
- ✓ Incentive Plans

**FIDELITY LIFE ASSOCIATION**  
Home Office - Fulton, Illinois

## THE UNITY LIFE & ACCIDENT INSURANCE ASSOCIATION

*Insures The Whole Family*

Unity agents are equipped to serve every need for personal insurance. Juvenile policies our specialty.

E. R. DEMING  
President

L. J. BAYLEY  
Secretary

HOME OFFICE — SYRACUSE, N. Y.

## NEWS OF LIFE ASSOCIATIONS

### Colorado Sales Congress Plans Set for March 14

The program has been completed for the annual Colorado sales congress on March 14 at Denver, according to Frank H. Devitt, manager Capitol Life, who is chairman of the event. After a speech by Governor Thornton of Colorado, there will be a talk on estate planning by Elmer C. Moore, New York Life, Wichita. O. Sam Cummings, general agent for Kansas City Life, Dallas, will talk on "All Tailoring and No Pants." Chancellor Jacobs of Denver University will be the luncheon speaker. R. W. Harper, Minnesota Mutual, Denver, will discuss the basis of his M.D.R.T. record and his app-a-week record for 598 weeks. A. K. Richeson, Pueblo, will report on the Colorado association as state president. Harry J. Volk, vice-president of Prudential at Los Angeles, will speak.

For the first time there will be a management conference held in conjunction with the sales congress with invitations sent out to the managers and general agents from all over the Rocky Mountain area. On the program will be W. T. Craig, general agent for Aetna Life at Los Angeles; Ray Patterson, Penn Mutual, Indianapolis, Mr. Volk and Mr. Cummings. This program occupies all day March 13. Luncheon speaker is Albert M. Williams, president of United States National Bank of Denver.

### Denver Nominates Devitt as N.A.L.U. Trustee Candidate

Denver Assn. of Life Underwriters has voted to place the name of Frank H. Devitt, manager for Capitol Life at Denver, before the midyear convention of N.A.L.U. for nomination to the post of national trustee. Mr. Devitt has been a wheelhorse in local association work, serving as local and state association president and member of many local, state and national committees.

### Texas Assns. Hear Helland

G. Archie Helland, Connecticut Mutual, San Antonio, president of Texas Assn. of Life Underwriters, spoke at Wichita Falls Feb. 11 on "What the Association Is Doing for You." He pointed to the service in the group law case, the

speakers bureau, and the prestige which membership gives the members, along with the exchange of ideas with fellow producers.

Mr. Helland also spoke to the Amarillo association on the value of association membership and to the Lubbock association with 80 in attendance, including four colored representatives of Atlanta Life.

### N.Y.C. Group to Honor Hirst

Albert Hirst, counsel for the New York City Assn. of Life Underwriters for over 25 years, will be guest of honor at a dinner dance marking the 65th anniversary of the New York City association March 13. All living past presidents of the association will also be honored at the celebration.

**Nashville, Tenn.**—Charles H. Schaaf, vice-president of Massachusetts Mutual, spoke on "Kash."

**Pittsburgh**—Successful life insurance sales methods were described by William B. Hoyer, Columbus, O., general agent of John Hancock.

Donald C. Blackwood, National Life of Vermont, chairman of the legislative committee, outlined the function of N.A.L.U. in preventing unfavorable legislation.

Leo G. Griffith, Jr., Penn Mutual Life at Pittsburgh, discussed company policyholders as prospects at the Butler branch. Harry W. Welton, assistant manager Connecticut General, Pittsburgh, will cover objectives at the March 12 meeting of the Washington branch; William M. Steele, supervisor Aetna Life, Pittsburgh, will speak on romance in business at the March 13 meeting of the Fayette County branch; George W. Klingensmith, general agent Midland Mutual, Pittsburgh, will point out successful sales principles at the March 13 meeting of the New Castle branch, and James H. McWilliams, Equitable of Iowa, Pittsburgh, will speak on "Selling the Interview," at the March 14 meeting of the Beaver Valley branch.

**Pittsburg, Kan.**—Vergil Howard, Mutual Life, association secretary, spoke on "Government Insurance."

**Birmingham**—Howard H. Conley, manager for New York Life, discussed package selling.

**Minneapolis-St. Paul**—Charles E. Cleaton, Los Angeles, president of the National association, will speak at the March 13 meeting at Minneapolis.

**District of Columbia**—Bruce Palmer, vice-president of Mutual Benefit Life, discussed insurance principles. The following were nominated for the board:

James A. Thomson, Acacia Mutual Life; William R. Tooker, Berkshire Life; Raymond H. Godine, Continental American Life; Tinsley Adams, Continental Assurance; Jack Murphy, Occidental of California, and William J. Link, Prudential.

**Benion Harbor, Mich.**—Fred G. Kimball, associate director of the Purdue course, addressed the Twin City association. He is president of the Lafayette association.

**Seattle**—A panel discussion on social security entitled, "The Yeast in the Dough of Social Security," was held by the Seattle association at its monthly luncheon. Panel leader was Kenrick C. Hawkes, manager Mutual Life of New York.

**Salina, Kan.**—A talk on "Estate and Inheritance Planning" was given by Oscar Mitchell, Equitable Society, Wichita. Speaker for the March meeting is William Yost, New York Life, Salina, on "Follow-Up Contacts Yield Dividends."

### Knight Agency Nets 150 Apps in One Day Drive

The Knight agency of Union Central Life at New York City produced 150 applications for \$1,450,000 of business in a one-day campaign revolving around a package policy. The campaign was announced at a breakfast when a simple sales presentation with a rate sheet to cover it was presented to each man. The package project was called a cost of living bonus for the wife to provide her with \$200 a month for the first year following the husband's death. The presentations were not limited to this package, but 50 of the sales were made directly on the suggested package. After a short pep talk by Benjamin N. Woodson, managing director of National Assn. of Life Underwriters, the Knight agents hit their territories and reported by telephone as each sale was made. The last report of a sale was at 10 minutes to midnight. There were 51 agents who had made sales within the 14 day period.

The campaign was part of the month activity in honor of the 20th anniversary of W. Howard Cox, president of Union Central. As a result of the campaign, many new prospects were unearthed for future activity.

### Trust Investments Reviewed

Frederick J. Thieme, Jr., trust officer of Citizens First National Trust & Savings Bank, spoke before the Los Angeles C.L.U. chapter on the "Theory of Trust Investment." He said there are many fallacies in respect to trust investments and it is for life insurance and the trust companies to meet these problems and straighten them out. He said the principal factor in trusts is to provide for a capital increase, with an assured income as a secondary factor.

He said that because of the trend of the times it is necessary to brace for a capital levy, and discussed that point further in answering questions.

### Eastern "Ad" Assignments

Committee assignments have been dealt out by Harvey Kesmodel, Sun Life of Baltimore, chairman of the Eastern Round Table of the Life Insurance Advertisers Assn. to be held at New York City, March 27-28. Assignments are: Paul Troth, New York Life, entertainment; William S. Weier, Prudential, hotel arrangements; D. T. McGraw, Acacia, promotion; Frederick J. Kiefer, Provident Mutual, publicity; Robert M. MacGregor, Phoenix Mutual, treasurer.

Other committee members who are working on the program are Norman T. Sheppard, Manufacturers Life, and Seneca M. Gamble, Massachusetts Mutual.

### Prudential Educates Brokers

Western brokers recently completed a seminar sponsored by Prudential at San Francisco. The course, under the direction of Carl P. Lundy, superintendent of agencies, covered business insurance, sole proprietorship, partnership, close corporation, and key man insurance.

*Selling is Easier...* **WHEN YOU HAVE MORE TO OFFER!**

**WHEN YOU HAVE MORE TO OFFER!**

*Discover*, for yourself, the many extra benefits offered in all forms of The Maccabees insurance programs. All types of life protection, including juvenile, are available as well as liberal hospital-medical and surgical plans.

*Compare* these programs and their many plus features with any other on the market. You will find great financial and personal satisfaction in representing one of America's foremost Fraternal Benefit Societies.

*Write today, for complete information.*



*"Insurance with a Heart"*  
**THE MACCABEES**  
LEGAL RESERVE INSURANCE

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## Time to Assess Group A. & H. Business

(CONTINUED FROM PAGE 2)

fect insurers from inflation under the standard surgical coverage, but newly announced major medical expense insurance is wide open to inflationary forces, he said.

The influence of inflation on hospital and medical expense insurance will continue as long as inflation itself, indefinitely. Insurers will have to keep a closer watch on experience and should tell employers and others with whom they deal in the sale of benefits, costs may be expected to rise on this account.

### EXPERIENCE

In the period 1936-1951, when premiums grew from \$26 million to \$750 million, the distribution of premiums by line has changed radically. In 1936 the business consisted almost entirely of weekly indemnity and accidental death and dismemberment benefits. Today hospital, surgical and medical expense insurance accounts for approximately 55% of the total, weekly indemnity 42%, and accidental death and dismemberment 3%.

The business has been in a loss position for the last two and possibly the last three years, he said, though the very growth of the business has been an important factor in bringing about the present condition. Furthermore, the strain produced on surplus because of the heavier initial expense incurred on the writing of new business may be fully justified. There is every expectation that first year costs, if they are of reasonable proportions, will be recovered from premiums in subsequent renewal years.

## Companies Reply to Patman Queries

(CONTINUED FROM PAGE 1)

ed meet this need through mortgage loans. In the last two years in particular there had been an increase in veterans administration and federal housing administration mortgage holdings. After the Korean fighting started, life insurance investments shifted to defense and defense-supporting production.

### FOR CREDIT RESTRAINT

The executives expressed their strong support of the voluntary credit restraint program and indicated full cooperation with the plan. They have carefully scrutinized both mortgage and corporate loans and believe the program has been effective in channeling funds into defense and defense-supporting and otherwise productive and essential uses. They feel the plan has been of real aid in combating inflation.

Unpegging the government bond market in March, 1951, confronted the life companies with possible losses on their marketable government securities in case of sale. The prospect of losses on the sale of governments below par eliminated further disposals or reduced them substantially. Unpegging and the subsequent decline in the prices of government securities have been of tremendous importance in that it has become impossible for companies to continue with making forward investment commitments on the assumption that their holdings of governments were the equivalent of cash. Life companies were obliged to look to their current flow of cash to take care of commitments.

Even before last March several companies had already stopped disposing of governments because they felt they had sold enough to correct the portfolio imbalance. But had they still been disposing of government securities, the prospect of capital losses on sales would have been a strong deterrent to further

On weekly indemnity experience was very poor in 1943 and 1944 and continuing into 1945. In 1944, the worst year, the loss ratio was 20% of premiums higher than pre-war levels. The contrast during these years between the weekly indemnity and hospital and surgical expense experience is striking. The latter loss ratios remained almost constant.

In 1946, weekly indemnity experience regained the pre-war level of less than 65% of premiums; it did not exceed 65% except in 1951 when there was an upturn of about 6%.

Loss ratios under the hospital, surgical and medical expense coverages combined have climbed steadily from a percentage of incurred losses to premiums of 62% in 1946 to 80% in 1951, or more than 3% of premiums per year. The picture under hospital expense insurance is essentially the same as for surgical expense, and similar increases are present for both employee and dependent coverage. The 1951 claim ratio level of 83% for employee and dependent hospital expense is somewhat higher than the 77% under surgical expense.

The trend of loss ratios under the medical expense coverages does not correspond, although they are of course based upon a much more modest and probably less representative experience. Medical expense claim ratios have remained relatively constant during the last three years and at the respectable levels of between 60% and 65% of premiums.

He cautioned that these are the figures of one company, Equitable, though he believes they are not atypical.

selling.

Most replies indicated that when the second war ended government bonds made up too large a proportion of life insurance assets, so that from the viewpoint of striving for proper portfolio balance as well as to improve investment return, most companies believed it necessary to dispose of government bonds as other attractive investment opportunities appeared. Likewise, many of the companies indicated that by the end of 1950 they were reaching the limits of portfolio balance in their holdings of residential mortgage loans.

Finally, many of the executives indicated that life companies, by the very nature of their business, are long-term investors and that investments are made to obtain a continuing income and are normally held to maturity if the return is sufficiently attractive.

## SALES PROMOTION

### MAN WANTED

A highly attractive position as sales promotion manager for a billion dollar life company is available for some man now employed by a life company who has justifiable reasons for seeking a new but permanent connection. Applicant should be less than 40 years old and have working technical knowledge of sales promotion work.

A creative mind and the definite ability to write equally important to administrative capacity. Complete cooperation will be given man chosen by present employees of department. A real future for the right man.

When writing give full information on personal background and technical experience. State salary required. Replies will be held as confidential.

Write Box K-30, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

## 50th Anniversary Year



### Pertinent Statistics

Insurance In Force	Over \$607,000,000
Assets	Over \$144,000,000
Benefits Paid Since Organization	Over \$ 63,000,000
Certificate holders	Over 423,000

## AID ASSOCIATION FOR LUTHERANS

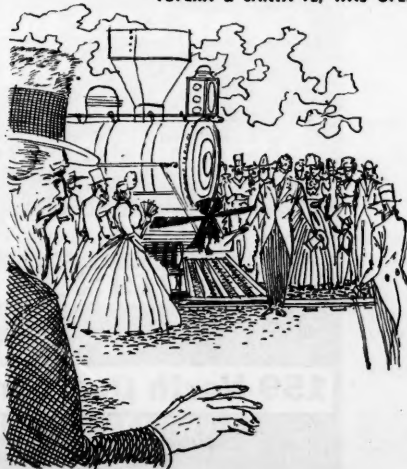
Legal Reserve Fraternal Life Insurance

HOME OFFICE:

APPLETON, WISCONSIN

## IT WAS IN 1883

THE FIRST DIRECTLY CONNECTING RAILROAD LINE FROM KANSAS CITY TO LOS ANGELES, THE ATCHISON, TOPEKA & SANTA FE, WAS OPENED



## THAT WAS THE YEAR MODERN WOODMEN OF AMERICA WAS ESTABLISHED

What Modern Woodmen Has Done in Its Sixty-Nine Years

- 1 Modern Woodmen now has a sixty-nine-year record of faithful service to insureds and beneficiaries.
- 2 More than \$758,000,000 has been paid in benefits.
- 3 Our record of prompt payment is unsurpassed.
- 4 Assets exceed \$167,000,000 in a strong investment portfolio.
- 5 Twenty-five Modern Woodmen certificate forms are issued . . . we insure every member of the family from birth to age 60.
- 6 Those insured in Modern Woodmen automatically receive THE POLIO-PROTECTION PLUS at no extra cost. Members receive immediate payment of \$250.00 when polio strikes; an additional payment of \$250.00 if the attack results in crippling after-effects or death.

MODERN WOODMEN OF AMERICA  
ROCK ISLAND, ILLINOIS



## Plan Colonial Stock Vote

Colonial Life stockholders will vote March 18 on a proposal by the board to split outstanding shares of company stock 10 to one. Splitting the stock would reduce its value from \$100 to \$10 per share.

## ACTUARIES

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### ILLINOIS

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CONSULTING ACTUARIES

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CHICAGO 6  
Telephone FRanklin 2-2633

**Harry S. Tressel & Associates**

Certified Public Accountants  
and Actuaries

10 S. La Salle St., Chicago 3, Illinois  
Telephone FRanklin 2-4629

Harry S. Tressel, M.A.I.A.  
H. A. Wessloch, A.S.A. Wm. H. Gillette, C.P.A.  
H. A. Wessloch, A.S.A. W. P. Kelly  
W. M. Burkhus, C.P.A. Robert Murray

### INDIANA & NEBRASKA

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Phone WOodward 1-9515

### NEW YORK

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**Wolfe, Corcoran & Linder**

110 John Street, New York, N. Y.

### PENNSYLVANIA

**FRANK M. SPEAKMAN**

CONSULTING ACTUARY

ASSOCIATE  
E. P. Higgins

THE BOURSE

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**BOWLES, ANDREWS & TOWNE**

Consulting Actuaries

Employee Benefit Plans

RICHMOND

ATLANTA

## Smaller Size Cases Fertile Group Field

(CONTINUED FROM PAGE 9)

porated into its administration the following techniques: 1. The plan is completely self-administered. 2. All transactions appear on the premium statement. 3. The company uses a baby group data sheet with the application for insurance which has a list of employees to be covered. New employees added and employees cancelled appear on a monthly premium statement. 4. Under the non-contributory plan, no enrollment cards are used. Under the contributory plan, enrollment cards are completed by the employer and are maintained by the employer. 5. The company has one basic policy and one certificate incorporating all of the coverages. 6. On a non-contributory plan, the company turns over to the employer a supply of certificates for distribution to the employees. On the contributory plan, the company does not release certificates until the names of the insured are submitted and screened to determine whether evidence of insurability may be necessary. 7. Premiums are set up on a monthly basis to minimize the need for the employer advancing money on behalf of the employee and to keep the claims department fully informed on additions and cancellations. There are two basic premium due dates during the month, the 10th and the 25th. These dates were selected because they are lulls for premium remittance and other coverages. 8. To simplify the work of the claims department, the employer must submit at the end of each year a list of the employees covered. 9. Accidental death and dismemberment coverage is not offered under baby group to eliminate the need for beneficiary designations, beneficiary changes and the name of the employee and beneficiary in the certificate.

### Statistics on Present Business

The company is now selling baby group in New York, New Jersey, Connecticut, Maryland, the District of Columbia and Hawaii. The following statistics have been compiled from cases already on the books: 1. The average annual premium developed per case is \$480. The average number of employees per case is 10. The average number of dependents per case is 10. 3. 60% of the cases are on a non-contributory basis. 4. For all of the business in force, the employer contributes in excess of 70% of the total cost. 5. 30% of the baby group insured carry other coverages, such as wholesale or compulsory disability. 6. The claim experience on baby group, as well as wholesale, has been favorable.

The sales aspects of the baby group problem indicate the necessity for a thorough market survey. More than 80% of the businesses covered for unemployment insurance in New York during 1950 were businesses employing less than 25 employees. Those having four employees totaled 21,302, those with five to nine employees totaled 54,009, and those with between 10 and 24 employees totaled 40,396. Mr. Kunis believes there is a market in the field and that it is not nearly as competitive as the one for larger groups. He believes that companies wishing to write the business should analyze their ability to cater to the market. States that have passed sickness laws seem to be particularly suited for baby group coverages.

The plan has to be made interesting to a company's sales force. Because of the small margins available for expenses, salaried group representatives can devote little time to it. Consequently, sales literature and sales proposals must be simplified so that agents and brokers can sell the plan with little instruction from group representatives.

Agents have not yet been asked to assist in administration and billing. If they are the company will increase their compensation.

## Events Cram Busy Week at N.A.L.U. Chicago Midyear

(CONTINUED FROM PAGE 3)

will be held in the Hotel La Salle. Association members attending the mid-year meeting will be admitted at the same fee as that paid by the members of the Chicago association.

The congress program features Eunice C. Bush, N.A.L.U. trustee, Mutual Life, Baton Rouge; Dr. S. S. Huebner, president of American College of Life Underwriters, who will speak on "Life Insurance and the Nation's Economic Situation," and C. T. Burg, Iron Fireman Manufacturing Co., Cleveland.

Another feature of the sales congress program will be a panel on selling techniques led by Russell C. Tomlinson, New England Mutual, Chicago. Other participants on the panel will be Glenn Miller, National Life of Vermont, George F. Foster, Jr., Berkshire Life, and George J. Richter, Great-West Life, all of Chicago.

Winding up the session on Thursday afternoon will be a reception for chairmen, L.U.T.C. students, graduates and instructors and another reception to be sponsored by the Chicago C.L.U. chapter in honor of Dr. S. S. Huebner.

## Insurance Far Down List in Big-Company Dominance

(CONTINUED FROM PAGE 3)

That being the case, with concentration such a pervasive force in every aspect of American life, it is perhaps surprising that the concentration within the life insurance industry is not much greater than it actually is, Mr. Conklin concludes.

As further evidence that there is less concentration of power at the top in life insurance than in business generally, Mr. Conklin points out that there have been striking shifts in industry size leadership over the last 50 years. Also as evidence of competition within the industry, he cites the widely varying net costs as indicative of a total absence of monopoly pricing. He mentions the increasing share of business obtained by smaller companies.

### No Drop in Efficiency

Refuting the idea that increasing size of companies makes for reduced efficiency because of bucking the law of diminishing returns, Mr. Conklin said that there is no basis for this. Increase of a company in size and terms of dollar assets has little if anything to do with any tendency toward diminishing returns except as it is reflected in personnel. And, as far as size of personnel is concerned, even the largest life company has total employees in the home office and field of 46,000 whereas General Motors has about 350,000, General Electric 207,000 and Standard Oil of New Jersey 120,000.

Even to confine the comparison to organizations where the problems, like

those of life companies, are primarily of an administrative type, the Post Office department has more than 500,000 employees, the veterans administration nearly 200,000, the Department of Agriculture 86,000, Treasury department 89,000, and the army, navy and air force have about 900,000 civilian employees.

### Size Found No Factor

"There simply does not seem to be any prima-facie reason why life companies under good management have reached a size where diminishing returns necessarily follow," Mr. Conklin comments. "As further evidence of the same point, an examination of the net cost data of the various companies, with all its admitted deficiencies as a yardstick, nevertheless discloses no tendency toward increasing cost with size."

Deflating the critics who have maintained that life companies have an unduly powerful influence over interest rates, Mr. Conklin cites several examples indicating clearly that while the life companies are a big factor in the investment market they are far from exercising actual control over rates.

## Liberty to Boost Capital

The directors of Liberty Life have recommended to stockholders that capital stock be increased from \$1 million to \$2 million by payment of 100% stock dividend. A stockholders' meeting on March 26 will consider the recommendation.

## Hodes Passes \$100 Million

The Hodes agency of National Life of Vermont at New York City, has become the first of the company's 33 general agencies to pass the \$100 million mark in insurance in force. Mr. Hodes has been general agent there since 1949.

## Guarantee Reserve Changes

Guarantee Reserve Life of Colorado has adopted the C.S.O. table at 3% in compliance with the standard non-forfeiture act of New Mexico. The company will remain on the American experience 3½% table in Colorado, Wyoming, and Arizona.

## Mutual Service Revision

Mutual Service Life is offering juvenile insurance with full death benefits for children age six months or older. On children under six months, the death benefit for the first year is \$100 per \$1,000 of face amount. Premium rates at age four and under have been revised.

The Fields agency of Lincoln National Life at Springfield, Ill., has appointed Earl C. Cameron district agent at Champaign and Melvin M. Taylor, district agent at Mattoon, Ill. Mr. Cameron has been agency assistant for several years and Mr. Taylor has been an agent during that period.

## GLOBE LIFE INSURANCE COMPANY OF ILLINOIS

## Attractive Agency Contracts

## COMPLETE LIFE INSURANCE COVERAGES — AGES 0-60

For Particulars Write Home Office

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says  
**MRS. BILL TWITCHELL**  
**FORT WAYNE, INDIANA**



"Bill's life started on a cattle ranch in Idaho. After high school, where he excelled in athletics and won all-state honors in basketball, he worked at a variety of jobs to put himself through Utah State University where he received his B.S. degree. In his senior year, Bill and I were married. Because of his triple threat performance on the football team that year, Bill received numerous offers to play pro football. However, Uncle Sam had other plans!

"Bill donned the Army garb, became a 2nd lieutenant, sailed for Europe and was wounded. After a year of rehabilitation work in England, Bill went to Fort Lewis, Washington where he became athletic officer in charge of a sports arena and events.

"In 1946, when Bill was discharged, we went to Indiana where he instructed at Purdue University, coached their boxing team and officiated at sports events to earn his Masters Degree in Industrial Recreation and Education. In 1947 we moved to Fort Wayne to live and Bill became Athletic Director for Purdue University Center.

"It was then that Hugh Jennings, General Agent

for the Minnesota Mutual gave us the Success Bond Presentation. We were sold and we never forgot the impression it made on us. So, when Bill and I decided that his future was too limited, he turned to the insurance field and Minnesota Mutual. I had no fears whatsoever when Bill left his former profession to become an insurance salesman because Bill had made good in his several previous jobs, but even I was amazed at the success he achieved with Minnesota Mutual.

"Bill is a big, friendly Westerner with an inexhaustible supply of drive and enthusiasm and a desire to help his fellow man. This, combined with Minnesota Mutual's sales tools, form an unbeatable combination. Now Bill is his own boss, he isn't confined to an office. He has the opportunity to meet and help people and still has time left over for recreation. Our two children, Terry and Gary, will never know the anxiety of an insecure existence now that Bill has boarded 'The Minnesota Mutual Future Unlimited'."



Bill Twitchell joined forces with the Minnesota Mutual in August, 1950. In 1951, his first full year of business, Bill paid for \$773,334 of business. He is a member of the Company's "M" Club for persistency having a 100 renewal ratio. Bill attributes his success to the Organized Sales Plan with the amazing, revised Success-O-Graph\*, used exclusively by many Minnesota Mutualites.



**THE MINNESOTA MUTUAL**  
**LIFE INSURANCE COMPANY**  
ST. PAUL 1, MINNESOTA

This letter, written by the wife of a Minnesota Mutual salesman, is published here as a deserved recognition of the enduring contribution she and her husband are making toward the continuing growth and progress of this Company.

**MORE THAN A  
MILLION PEOPLE  
OWN  
LIFE INSURANCE  
IN  
THE TRAVELERS**



**Hartford, Connecticut**